FBIS DAILY REPORT

CONTENTS

Latin America

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INTER-AMERICAN AFFAIRS

Latin American Parliament Condemns Bolivian Coup A 1
Colombia's Turbay Rules Out Andean Break With Bolivia A 1
Joint Communique on Beagle Talks Released A 2

ARGENTINA

Foreign Minister Praises Outgoing U.S. Ambassador B 1
Paraguayan Foreign Minister Continues Visit B 1
Ambassador Discusses Relations With France, EEC B 1

BOLIVIA

Former President Gueiler Receives Passport C 1
Government Launches Administration Cleanup Campaign C 1
Government Reportedly in 'Complete Control' C 2
Armed Forces Using 'Intimidation Tactics' C 2
Cochabamba Army Division Commander Relieved C 3
Garcia Meza Responsible C 4
Garcia Meza To Attend Cochabamba Peasant Rally C 4
Oruro Mineworkers, Army Reach Agreement C 4
Prefect Remarks C 5
Interior Minister Deplores U.S. Cutoff of Antidrug Aid C 5
Three Bolivians Seek Asylum at Brazilian Embassy C 5
Student Charges Argentines Take Part in Torture C 6
Soviet Technical Mission Reviews Tin Projects [PRESENCIA 24 Jul] C 6
EL DIARIO Blames Unrest on Foreign Elements [23 Jul] C 7
Corrections to Garcia Meza Speech at Cabinet Swearing In C 8

BRAZIL

Brazil Recognizes New Bolivian Government D 1
British Foreign Secretary Arrives for Official Visit D 1
Figueiredo Comments on Democratization Process, Bolivia D 1

CHILE

Foreign Minister Congratulates Peruvian Counterpart E 1
Government Communique Views Church, Terrorism E 1
Visiting Uruguayan Army Chief on Fighting Subversion E 2

ECUADOR

Nicaragua's Ramirez Mercado Meets With Roldos G 1
People's Party, Pichincha Front Reject Transport Strike G 1
Front's Communique G 1

PERU

President Interviewed on Policy, Relations With Spain J 1
[Madrid YA 27 Jul]

MEXICO

Lopez Portillo Affirms Continuing Relations With Bolivia M 1
Comments on Relations With Cuba M 1
Police Disperse Demonstrators at Soviet Embassy M 5
PEMEX Announces Oil Production Goal Reached M 5
Briefs: Ambassador to Philippines M 5

PANAMA

Costa Rican President, Nicaraguan Junta Members Arrive N 1
News Conference N 1
Banana Workers End Strike After 77 Days [STAR AND HERALD 30 Jul] N 5
Canal Commission Members Comment on Issues N 6

CENTRAL AMERICA

Honduras, El Salvador Start New Round of Talks P 1

COSTA RICA

Arms Traffic Committee Wants Panamanian Report P 1
Further on Goverrment's Involvement P 2

EL SALVADOR

Interior Minister Admits Heavy Losses Near Honduras P 3
MNR Document Analyzes National Situation P 3
[API NEWS Vol 2, No 138]

GUATEMALA

Army Denies Clash With British on Belize Border P 5
Death Toll in San Juan Cotzal Clash Increases P 5

HONDURAS

Military Leaders Applaud Paz Garcia Appointment P 6
'No Conditions' on Acceptance P 6
Constituent Assembly Appoints Supreme Court Justices P 7
TIEMPO Analyzes Bowdler Report on Central America [17 Jul] P 7

NICARAGUA

Foreign Minister Defines Stand Toward Bolivia P 8
FSLN Official Comments on Topic of Elections P 9
U.S. Embassy Association Sued for Breach of Contract P 9

CUBA

Cuba Reportedly Imports Sugar for First Time in History Q 1
[Bogota EL TIEMPO 17 Jul]
Castro Receives Anniversary Greetings From USSR Q 1
[cross-reference]
Corrections to Kampuchea-Cuba Communique Q 1

CARIBBEAN

DOMINICA

New Prime Minister Sets Her Priorities S 1
[Nassau THE TRIBUNE 25 Jul]
New Cabinet [Kingston DAILY GLEANER 24 Jul] S 2

OTHER COUNTRIES

GUYANA

Plot To Disrupt National Economy Uncovered V 1
[CHRONICLE 17 Jul]
Guyana-Venezuela Friendship Society To Promote Relations V 1
[CHRONICLE 21 Jul]

SURINAME

Military Council Chairman Reportedly Removed V 1

LATIN AMERICAN PARLIAMENT CONDEMNS BOLIVIAN COUP

PY310117 Paris AFP in Spanish 0057 GMT 31 Jul 80

[Text] Lima, 30 Jul (AFP)--Andres Townsend, secretary general of the Latin American Parliament, disclosed here today that the leadership of this organization has firmly rejected the recent military coup d'etat in Bolivia.

Townsend recalled that the now-disbanded Bolivian congress is part of the Latin American Parliament and added that the leadership of the parliament has congratulated the Peruvian people for rejoining the democratic way of life.

He said that the organization has reaffirmed its support for the installation of democracy in Suriname and for the reinstatement of the congress of the Netherlands Antilles, after hearing the report of their envoy Juan Antonio Bikker.

The leadership of the Latin American Parliament has met here under the leadership of its president, Colombian Senator Gilberto Avila, according to Townsend.

COLOMBIA'S TURBAY RULES OUT ANDEAN BREAK WITH BOLIVIA

PA302156 Bogota Radio Cadena Nacional in Spanish 1730 GMT 30 Jul 80

[By special correspondent Francisco Tulande]

[Excerpt] President Julio Cesar Turbay Ayala today ruled out an eventual diplomatic break between the Andean nations and Bolivia and defended the posture of the governments of Colombia, Venezuela, Ecuador and Peru, which last night condemned the interruption of that nation's democratic process.

During a news conference this morning, President Julio Cesar Turbay Ayala affirmed that for humanitarian reasons, the member nations of the Cartagena Agreement would not suspend their diplomatic relations with Bolivia. He said that ambassadors would not be withdrawn from La Paz and explained that this does not mean solidarity exists with the new military regime that deposed former President Lidia Gueiler.

The Colombian chief of state recalled that his country had assumed a similar posture when the crisis occurred in Nicaragua, where the ambassador was maintained in order to offer the right of asylum to anyone requesting it.

For humanitarian reasons, we Andean nations cannot isolate the Bolivian people now that misfortune has befallen them, Turbay Ayala pointed out.

The president also defended the terms of the statement he signed last night along with the chiefs of state of Venezuela, Peru and the Ecuadorean president's representatives condemning the interruption of the democratic process in Bolivia. He said that a protest by the chiefs of state of the subregion had never been so categorical. The position we have assumed cannot be described as weak, President Turbay Ayala concluded.

On Bolivia's possible withdrawal from the Andean Pact, the president of Colombia observed it would be regrettable and pointed out: If Bolivia withdraws, we can do nothing to prevent it.

JOINT COMMUNIQUE ON BEAGLE TALKS RELEASED

FY301458 Buenos Aires LATIN in Spanish 1046 GMT 30 Jul 80

[Text] The Vatican Press Office published a joint Argentine-Chilean communique today regarding the progress of the papal mediation in the border dispute in the southern region of the two countries.

The communique says that the mediation has entered "a particularly important stage" and that the Argentine and Chilean delegations have submitted the points of view given them by Cardinal Antonio Samore, the pope's representative in the mediation, to their governments.

It adds that each delegation has studied the Vatican points of view since 14 July and that those points of view have also been "carefully studied" by the respective governments. The opinions of the two governments were then explained in detail to Cardinal Samore.

The communique then says that the papal representative gave Argentina and Chile his impressions regarding the opinions of the two governments "with the purpose of giving useful guidelines for the progress of the mediation," specifically the next stage of activities.

The communique concludes by saying that the subjects under discussion will be analysed separately during August, especially taking into account the impressions expressed by Cardinal Samore. The communique explains that the meetings will be resumed in September "with the intention of reaching assolution of the disagreement."

Argentina and Chile are involved in a border conflict in their southern region which includes navigation conditions in the Beagle Channel. In the Montevideo Agreement of 1978, they appointed Pope John Paul II as mediator.

FOREIGN MINISTER PRAISES OUTGOING U.S. AMBASSADOR

PY301607 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1129 GMT 30 Jul 80

[Excerpts] Buenos Aires, 30 Jul (NA)--Foreign Minister Carlos Pastor has defended the principle of nonintervention and called for a "constant solidarity with our Bolivian and Central American brothers." During a speech he delivered at a luncheon to bid farewell to the U.S. ambassador to Argentina, who will leave his post the day after tomorrow, Pastor noted that "recent events have brought to the surface a change of attitude toward the concepts of solidarity with and respect for each country's identity."

Pastor recalled that relations between the government of the United States and Argentina "have gathered a new momentum since General Goodpaster's visit last January and were consolidated through the consultation mechanism which was agreed on." He then said that "Argentina and the United States have had their disagreements precisely because they are free countries." He, praising the role played by Ambassador Castro "in perceiving and emphasizing the common views that fundamentally unite the two nations." He told Ambassaodr Castro that "he could truly feel satisfied with the role he played for the benefit of bilateral relations and mutual understanding."

PARAGUAYAN FOREIGN MINISTER CONTINUES VISIT

PY301622 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1421 GMT 30 Jul 80

[Text] Buenos Aires, 30 Jul (NA)--Paraguayan Foreign Minister Alberto Nogues today revealed topics of the talks he has held with his Argentine counterpart, Carlos Pastor, such as the situation in Bolivia and current affairs in the continent. Nogues said that one of the topics was the future Latin American Integration Association (ALADI) which will replace the Latin American Rree Trade Association (LAFTA).

The Paraguayan foreign minister was interviewed on the radio program "Ladies and Gentlemen." During the interview Nogues noted the importance of the agreements he signed today with Pastor regarding social security for those working in the construction of the Yacyreta project. Asked about other topics he discussed with Pastor, Minister Nogues replied: "The fact that we are neighboring countries imposes on us the need to maintain constant dialogue" about developments in the continent, including the latest events in Bolivia, which ended by toppling the government of Lidia Gueiler. Nogues also said that he talked about the ALADI, a subject which will be taken up by a conference of South American foreign ministers to be held in Montevideo in the first half of August, "because Paraguay has a candidate for the secretary general of the new organization."

AMBASSADOR DISCUSSES RELATIONS WITH FRANCE, EEC

PY292100 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1251 GMT 29 Jul 80

[Text] Buenos Aires, 29 Jul (NA)--Tomas de Anchorena, Argentine ambassador to France, said today that "the problem of disappearance of Argentines in Peru," brought about "a new outbreak in Europe" of the "campaign against Argentina." The ambassador added that "Argentina's image is at a low ebb" and that "it is losing political support."

Anchorena made this statement on the "Ford News "talkshow broadcast by Radio Belgrano. He said that French-Argentine diplomatic relations "could not be any better" and that the diplomatic incident that ensured after the performance of a French artistic group in Buenos Aires "has been completely overcome."

During the interview the Argentine ambassador also noted that these are good prospects for relations between Argentina and the EEC.

Answering a question, he said that French-Argentine relations "could not be any better." He noted that although Argentine-French relations had experienced a few difficulties in the past, they have improved a lot since then. He said that this is probably because there is a better understanding of the Argentine problem, of the evolution of the present process. He said, moreover, that the present complex international situation was helped because other countries now have more respect for Argentina and they pay it more attention. He noted that "all this helps improve bilateral relations."

Regarding the diplomatic incident that occurred during the visit of the Paris orchestra to Buenos Aires, Anchorena said that "it has been completely overcome." He said: "People should not give it too much importance since there are people who arrive in Argentina believing that they can teach us something, but once they are here they find out that the situation is different."

Asked whether there is a campaign in Europe against the Argentine Government, the ambassador noted that the campaign is now "at a low ebb." He said that he believes this is because "as President Videla has said, they lack material to continue this campaign since the [national reorganization] process is working and Argentina has achieved peace; and I agree with him."

Anchorena added, however, that "whenever they can get hold of an incident they take advantage of it. We have lately had a new upsurge of this campaign as a result of the problem of the disappearance of Argentines in Peru. They took advantage of this incident to step up the campaign. But they are losing support because many of the political institutions that had supported these people are now aware that they were mistaken and they have withdrawn their support."

Answering another question, the ambassador alluded to "the damage that this anti-Argentine campaign has caused by influencing the mentality of Europeans." He noted that "it will be very difficult to convince them that things are not as they have been told."

He noted: "At any rate, this campaign has decreased and people are now more aware of the situation. But there has been a persistent campaign and it will take some time before the people are convinced of the real situation in Argentina."

About Argentine-French economic relations, Anchorena said that "the trade balance is in equilibrium." He noted that "what we are getting from France is capital goods and not the usual sophisticated things nor fashionable articles."

Anchorena also noted: "There is a great desire in France to participate in Argentine public works and in all development programs that have been decided on for the rest of this century."

On Argentine relations with the EEC, Anchorena said that "our usual difficulty is our agricultural policy, which is the area where we have most difficulties with the EEC, but I believe we have to maintain our policy, because the increase of energy costs, not only regarding oil but also in the agricultural-chemical field, leads me to believe that the EEC will be forced to revise its agricultural policy and that it will be unable to continue subsidizing this kind of agricultural policy at any cost."

He added: "Argentina can cooperate with them and take advantage of this changing policy; there is a series of opportunities of which we must take advantage.

FORMER PRESIDENT GUEILER RECEIVES PASSPORT

PY301718 Buenos Aires LATIN in Spanish 1649 GMT 30 Jul 80

[Text] La Paz, 30 Jul (LATIN)--Church sources reported here today that former President Lidia Gueiler received her passport last night from the Foreign Ministry and that she is getting ready to leave Bolivia "very shortly." The former president, 54, has been in asylum at the Apostolic Nunciature since 18 July, when a military junta took over power after a coup d'etat.

Sources at the Bolivian Foreign Ministry have said that Mrs Gueiler last night received a passport that will allow her to travel "wherever she desires."

The nunciature today maintained absolute secrecy regarding the possibility of the former president leaving the country, but local church sources indicated that "Mrs Gueiler wishes to travel as soon as possible." The sources that had been consulted said that they did not know the trip's schedule or where the first stopover abroad will be made.

GOVERNMENT LAUNCHES ADMINISTRATION CLEANUP CAMPAIGN

PY302210 Buenos Aires LATIN in Spanish 1624 GMT 30 Jul 80

[Excerpts] La Paz, 30 Jul (LATIN)--The military government today launched a policy designed to increase the moral standards of the administration and warned that any economic action aimed at harming government finances will be viewed as treason against the fatherland.

This drastic decision published today by the Interior Ministry establishes that those responsible for the above-mentioned crimes will be punished in accordance with the updated state security laws.

The Interior Ministry also announced that it will automatically apply punishments ranging from the dismissal of the official to his imprisonment for a period of 6 months-10 years.

According to official sources, the government of the military junta, much stronger 13 days after the military uprising which gave it access to power, today reiterated its invitation to international organizations to come and see "that here in Bolivia there has been no massacre."

In the 12 days since the change of government, only 3 countries have announced their official recognition of the Bolivian military junta: Argentina, Taiwan and Paraguay, according to Foreign Ministry sources. The sources added that Brazil has evidenced a "favorable attitude" and that the normalization of bilateral relations with this country could be confirmed "at any time now."

The United States, the FRG, Belgium and other countries have united into an international bloc which has repudiated the military uprising and has applied immediate punishments by restricting economic and financial aid to Bolivia.

According to official reports, the government has gained control over most of the Bolivian mining districts, whose 50,000 mineworkers had been on strike for 7 days defending the democratic process. The strike of the mineworkers caused by the change of government is bound to have "an economic impact," according to the officials of the state-controlled mining enterprises.

In the meantime, spokesmen of the Bolivian Catholic Church today stated that various religious committees have launched--with the consent of the government--an effort aimed at determining the exact number of victims resulting from various clashes and violent incidents related to the military takeover. The sources also said that these committees are currently engaged in checking out the situation of an unspecified number of prisoners and the approximate number of persons who have sought asylum at various embassies.

GOVERNMENT REPORTEDLY IN 'COMPLETE CONTROL'

PY310335 Paris AFP in Spanish 2111 GMT 30 Jul 80

[By Albert Brun]

[Excerpts] La Paz, 30 Jul (AFP)--According to reliable sources, Bolivia was today under the complete control of the new military government as every sign of passive resistance disappeared, not only in the capital but also in the interior, including in mining centers where minor strikes have not affected production.

Peasants are still making sporadic attempts at erecting roadblocks to show their distrust of the new authorities, but quick action with special clearing equipment helped normalize circulation, thus avoiding violent clashes.

While the government continues to search for subversive elements, it also released many people who had been detained on unfounded suspicions. Regarding confirmed detentions, it has been reported that the government has not yet decided what to do with personalities such as Juan Lechin, Simon Reyes and others. It has been noted, however, that those involved in subversive actions will be put to work clearing roads.

According to observers, routine bureaucratic activities have been resumed and there is no absenteeism in government offices.

ARMED FORCES USING 'INTIMIDATION TACTICS'

PY301922 Paris AFP in Spanish 0212 GMT 30 Jul 80

[Text] La Paz, 29 Jul (AFP)--The Bolivian Armed Forces, which took power in a coup d'etat on 17 July, seem to have chosen the tactics of intimidation rather than blood-thirsty repression in view of the wave of general indignation called forth by the murder of Marcelo Quiroga Santa Cruz, leader of the Socialist Party One (PS-1).

Popular resistance was taken by surprise and easily disarmed, while international opposition--particularly by the United States and the Latin American countries--has hardened, to which the government junta has replied by generally accusing the international press of coordinating a slander campaign and by detaining, expelling and threatening several newsmen.

Twelve days after their intrusion, the military still maintains the capital under occupation: A tank is permanently posted in front of San Andres University, while soldiers armed with submachineguns guard all strategic points. Though the soldiers refrain from all unnecessary provocations, they closely control bridges, crossroads, the El Alto Airport, the Bolivian Labor Federation and even the Paseo del Prado, the traditional meeting place for lovers in La Paz.

Calm reigns, however, in La Paz and most cities in the interior of the country; discontent is only expressed through passive resistance.

Only in the marketplaces, where the Aymara Indian women gather every morning for their shopping, can explosions of protest often be observed because of the rationing of certain products caused by the blocking of some highways. At night the capital is wrapped in the dismal silence of a rigid curfew and the grenade explosions and rifle shots, which after the coup d'etat showed the presence of snipers on the rooftops who desperately tried to demoralize an army looked upon as usurpers by 60 percent of the population, are no longer heard.

During the coup d'etat, the falange militias acted before the La Paz garrison troops joined the coup--but after the uprising of the garrisons of Trinidad and Santa Cruz--and took the Bolivian Labor Federation and the independent radio stations and stormed the Quemado Palace (the seat of the government), moving swiftly in ambulances. Those same militias are now acting under the protection of the Interior Ministry and in the dark hours of the curfew, they search and loot the homes of alleged extremists.

The French Embassy in La Paz still shows the marks left by the action of those groups; in the days following the coup d'etet, one of the groups machinegunned the entrance door and then entered under the pretext that a meeting of opponents was being held.

The last nucleus of popular resistance is located at the tin mines 300 km south of the capital, now isolated from the rest of the country, which has been pacified. Several television teams which tried to get close to the mines reported various clashes in which nine mineworkers were reportedly killed at Huanuni and several dozen people, mostly children, reportedly received bullet wounds.

It is, however, difficult to appraise the extent of the resistance, because of the hostility to newsmen on the part of the armed forces. Five correspondents have been expelled. The films were confiscated from the photographers who went to the mines, and their work permits were canceled. The news agency correspondents who live in Bolivia have passed into a kind of half-underground life, and special correspondents are submitted to a police control unprecedented in this country.

The interior minister, Luis Arce, who threatened this correspondent with prison and gave him a strong escort, justified those measures by explaining that the newsmen are to blame for the slandering of the regime. Arce stated: The armed forces did not stage a coup d'etat; they received power from President Lidia Gueiler. The military has not killed leftist leaders and is not responsible for the rivalries among the extremist. Colonel Arce sidestepped the newsmen's questions by adding: I cannot give you the number of detained people because the arrests continue. He also did not answer a question on the number of deaths.

COCHABAMBA ARMY DIVISION COMMANDER RELIEVED

PY301737 Buenos Aires LATIN in Spanish 1709 GMT 30 Jul 80

[Text] Cochabamba, 30 Jul (LATIN)--Col Mario Vargas Salinas, commander of the 7th Army Division with headquarters in this departmental capital, has been relieved of his post, according to a report by the local newspaper LOS TIEMPOS. The daily did not state the reasons for his dismissal and said that Colonel Vargas was notified of it "at about 2300 last night" at his headquarters in this city, located 430 km southeast of La Paz.

This is the first dismissal of an army division commander since the military coup which ousted constitutional President Lidia Gueiler on 17 July. Vargas Salinas participated with distinction in the antiguerrilla struggle in southeast Bolivia in 1967, when the Argentine-Cuban revolutionary Ernesto "Che" Guevara was killed in the Nancahuazu region. He later served as labor minister in the government of Gen Hugo Banzer Suarez (1971-78).

Garcia Meza Responsible

PY310155 Paris AFP in Spanish 0010 GMT 31 Jul 80

[Text] La Paz, 30 Jul (AFP)--Political sources have confirmed that President Luis Garcia Meza strengthened his control over the country when he replaced Col Mario Vargas Salinas, commander of the 7th Division in Cochabamba, who showed reservations in his support to the 17 July coup.

Vargas Salinas is considered one of the main institutionalist officers who, along with Colonels Gary Prado, Raul Lopez Leyton and many others, supports the return of the army to strictly military activities. Some of them are considered to have progressive tendencies.

Reports from Cochabamba indicated that Vargas Salinas was opposed to the action of paramilitary groups and that he maintained a vigilant and not a repressive attitude toward the population. He has been replaced by Col Carlos Ruder Villa, former military attache in Ecuador. According to military sources, Vargas will be sent on commission abroad.

GARCIA MEZA TO ATTEND COCHABAMBA PEASANT RALLY

PY310244 Buenos Aires TELAM in Spanish 0226 GMT 31 Jul 80

[Text] La Paz, 30 Jul (TELAM)--The president of the Bolivian military junta, Gen Luis Garcia Meza, will travel tomorrow to San Ignacio de Moxos, Santa Cruz de la Sierra, in eastern Bolivia.

Garcia Meza will then travel to Cochabamba, where he will attend a gathering of peasants in Uncena to celebrate peasant day. Although it was not officially reported, it was learned that there will be an important meeting of high military commanders to discuss exclusively military matters in Santa Cruz on Friday or Saturday .

ORURO MINEWORKERS, ARMY REACH AGREEMENT

PY301348 Oruro Radio Batallon Topater in Spanish 1115 GMT 30 Jul 80

[Text] Representatives of the I Army Corps, the prefect of Oruro Department and labor leaders of the San Jose mining enterprise have confirmed the agreement signed on 25 July. Normal production was then resumed at the San Jose mining enterprise today, Tuesday.

The public relations office of the I Army Corps released an official communique today announcing the confirmation of the agreement between the armed forces and the mineworkers of that enterprise, which belongs to the Mining Corporation of Bolivia [Comibol]. The document says:

At a meeting held today today at (?1300), the San Jose mineworkers, representatives of the I Army Corps and the prefect of the department confirmed the agreement signed on the evening of 25 July. After an open discussion of the scope of that document, it was found that the government had fulfilled its part of the agreement, and it was therefore decided to resume work [words indistinct]. Immediately afterward, Lt Col (Pastor Vizcarra), labor representatives and Maj (Abel Elias Sainz), prefect of the department, (?closed an agreement) on the (?measures) necessary to resume work. The labor problems at the San Jose mining enterprise have thus been solved.

Oruro, 29 July 1980 [Signed] chief of the I Army Corps Public Relations Office.

Prefect Remarks

PY301350 Oruro Radio Batallon Topater in Spanish 1115 GMT 30 Jul 80

[Excerpts] (Abel Elias Saínz), prefect of Oruro Department, went to the San Jose mine yesterday as the representative of the I Army Corps to attend a general mineworkers assembly which began at 1300. Major (Elias) explained the scope of the agreement signed on 25 July, which was then approved by the mineworkers. Major (Elias) clearly explained the objectives of the national reconstruction government and stressed the need to reach a firm and permanent understanding with the mineworkers. The San Jose mineworkers then went back to work yesterday.

At the end of the meeting, the prefect explained to the workers that it is not true that their leaders have been persecuted or imprisoned. The workers have guarantees [words indistinct], he said. He also stated, however, that he will be inflexible and that officials will take strong measures against individuals who, without really being workers, mix with the latter to create a situation of terror and anarchy in the mining districts. They will be persecuted and [word indistinct]. He asked the workers [words indistinct] of those individuals.

INTERIOR MINISTER DEPLORES U.S. CUTOFF OF ANTIDRUG AID

PY310111 Paris AFP in Spanish 0023 GMT 31 Jul 80

[Text] La Paz, 30 Jul (AFP)--Interior Minister Col Luis Arce said today that the United States will be responsible for the increase of cocaine traffic because it has given the green light to the Bolivian connection by doing away with the aid to fight drug traffic.

The Bolivian narcotics office explained that it is doing what it can to fight the traffic but that without the help received, it will not be as effective as in the past.

The minister added that the drug traffickers will act at will, and that this will not create a greater consumption in the country but uncontrolled exports.

He warned that the increase in the drug traffic will therefore be the responsibility of President Jimmy Carter.

He said that this U.S. aid was more important than the military aid, which means nothing in relation to how the fight against drug traffic will be affected.

THREE BOLIVIANS SEEK ASYLUM AT BRAZILIAN EMBASSY

PY310228 Paris AFP in Spanish 0151 GMT 31 Jul 80

[Text] Brasilia, 30 Jul (AFP)--The Brazilian Foreign Ministry reported today that three Bolivian citizens have sought asylum at the Brazilian Embassy in La Paz.

The report added that the Brazilian ambassador in La Paz today informed the Bolivian Foreign Ministry that he has granted asylum to Walter Guevara Anaya, son of former Bolivian President Walter Guevara Arze.

Brazil has also granted asylum to Senator Luis Alvarez of the National Revolutionary Movement [Movimiento Nacionalista Revolucionario] former Minister of peasant affairs under president Lidia Gueiler, and to the general manager of the Mining Corporation of Bolivia [Comibol], Hugo Zapata.

STUDENT CHARGES ARGENTINES TAKE PART IN TORTURE

PY301724 Porto Alegre Radio Gaucha in Portuguese 1545 GMT 30 Jul 80

[Text] During an interview with the Mexican press, Bolivian student (Beatriz Lopez) stated that Argentine agents are taking part in torture sessions in Bolivia.

The student stated that she had been arrested in La Paz together with four Cuban musicians. They were all charged with subversion and were tortured for 2 days in the building of the II Army Corps with the active participation of Argentine agents.

SOVIET TECHNICAL MISSION REVIEWS TIN PROJECTS

PY272341 La Paz PRESENCIA in Spanish 24 Jul 80 p 8

[Text] The Soviet technical mission which arrived in Bolivia last week to discuss projects for the installation of two tin volatilization [volatilizacion] plants will travel to La Palca (Potosi) to evaluate the progress of tasks aimed at installing the first of these industrial plants.

According to reports of the Mining Corporation of Bolivia [Comibol], the Soviet mission will return to La Paz next Sunday afternoon to begin meeting Bolivian technicians and government officials on Monday.

The Soviet mission is headed by Oleg Vasilevskiy, deputy chairman of the (Machinoeksport) enterprise, which will supply the machinery. It is also made up of (Nikolas Nogtev), (Anatoliy Popov) and (Vitaliy Evgrafov), (Machinoeksport) technicians, and (Boris Bychkov), who has been sent by the USSR Foreign Trade Ministry.

The Soviets arrived in La Paz on Wednesday night but have been unable to meet with Bolivian Government officials in view of the political events which took place recently. According to official reports, they will stay in Bolivia approximately 5 weeks.

The Soviet mission arrived in Bolivia in compliance with an accord for the renegotiation of the terms of payment and the timetable for the installation of the volatilization plant in La Palca. The difficulties stemming from the terms of payment of the Soviet loan (termed "hard" by Bolivian Government officials) and certain technical errors in the design and location of the plant have caused several delays in the implementation of the project. According to recent reports, the plant at La Palca will probably begin operating by the end of this year.

The Bolivian Government has also requested the review of the draft contract for the installation of another volatilization plant in Machacamaraca (Oruro) so as to set a "reasonable" grace period prior to the amortization of the loan. The former manager of Comibol, Hugo Zapata, has indicated that the idea is to pay for the new volatilization plant from the profits of its operation and not before it begins operating, as has happened with the La Palca plant.

EL DIARIO BLAMES UNREST ON FOREIGN ELEMENTS

PY272149 La Paz EL DIARIO in Spanish 23 Jul 80 p 2

[Editorial: "Peace With Justice, Respect and Freedom"]

[Text] It has been a common habit after each change of government, and many have taken place in this country, to heap accusations on the persons who were in the forefront of managing public affairs.

Such devastating compaigns of insults, in which excessive vilification was part of the menu offered by the news media, should be replaced with a calm and thoughtful examination. It is suitable to keep the charges within reasonable limits and attack that which was really wrong as well as propose improvements and corrections in the service of national interests.

The new government has shown, so far, that it has authority and control over the territory of the nation, except some small and isolated mining centers where radio stations are engaged in urging a general and indefinite strike and the blocking of roads. The truth is, however, that public and private economic activities have been restored in almost the whole country.

Contrary to what isolated agitators are reporting, it has been shown to the people of the nation that everything is tending to return to normal. A talk between the interior minister and the executive secretary of the Bolivian Labor Federation [COB], transmitted by the state television channel, proves that the indefinite general strike and the blocking of roads have been called off in the interest of domestic tranquility. This has been repeatedly said by the COB secretary himself, who earlier called for struggle and civic resistance. Now he wishes to prevent a confrontation among brothers and the consequent bloodshed, although he has reserved for himself the right to give the workers an explanation later of the instructions he has given in view of the events. EL DIARIO gives the full text of the talks in its news section.

If that talk is to be understood according to its letter and spirit, there is no longer any strike or blocking of roads. Some leaders should refrain from urging those measures which, in fact, were not obeyed by all employees and workers of the nation.

The citizens who are still persisting in trying to disturb the normal rhythm of daily life are using various means: threatening messages over the telephone; slogans voiced from person to person; stones thrown by a few people at public transportation vehicles to harm those who need to use them and the sporadic appearance of snipers. All this shows that those elements are acting at the service of foreign interests and that they are politically trained and ideologically indoctrinated to this end. Their mission is to spread fear and confusion in the streets and at the workplaces, and they fulfill that mission without any scruples. As everyone knows, they are at the service of political forces outside this country which have picked Bolivia to try to impose the domination of a red dictatorship. But they are alone and an insignificant minority before the democratic consciousness of the people, who are much more sensible than they suppose.

We believe that the scheme to "Vietnamize" Bolivia or to repeat here the events that have occurred in Central American nations has failed. All their propaganda material, which was echoed by people in the congress, at the Labor Ministry and at several newspapers and radios, has been discovered. And the large majority of the nation is rebuilding the course of their lives, as they have always done, ready to live together in peace and harmony, to pardon excesses and injuries. But they are also ready to correct wayward trends which try to break the peace needed by all. Every man and woman, making up 99 percent of the population, prefers order with justice, development in freedom and respect and institutional security for their work. But they also want a fatherland belonging to Bolivians, not manipulated through interventionist policies or underhanded doctrines which proclaim freedom and human rights but which, in countries where they are applied, shackle freedom, rights, dignity, respect and ideological and political plurality.

We want and expect peace with justice, order and freedom.

CORRECTIONS TO GARCIA MEZA SPEECH AT CABINET SWEARING IN

The following clarifications to the item entitled "Garcia Meza Speech" published in the 21 July Latin American DAILY REPORT on page C 4 are supplied from La Paz EL DIARIO in Spanish of 21 July: On page C 4, in the fifth line of the second paragraph substitute the word "documents" for the word "structure" and the word "nation" for the word "Senate" in parentheses.

In the fifth line of the second paragraph substitute for [passage indistinct]: "The Bolivian electorate, dissatisfied and skeptical after the two earlier unsuccessful attempts, manipulated by rightist and leftist extremism, took a severe stand and gave a categorical answer in this third pseudodemocratic general election. They did not go to the ballot boxes or approve by their presence the organized fraud and the violation of public confidence. We of the armed forces, their spokesmen, therefore charge with a free voice and a calm conscience, with collective force and moral force, before the world, courts and history and before the 5 million inhabitants of Bolivia, that the elections for president, vice president, senators and deputies are legally null, and that for this reason the powers of the state could not fall into the hands of the usurpers of the popular will and the forgers of democracy."

In the ninth line of the second paragraph substitute the word "social" for the word "special" in parentheses.

In the first line of the fourth paragraph substitute for [passage indistinct]: "In addition, it is a heroic task which has undoubtedly been imposed on us by the subversive terrorism of the international left, which will spare no effort to make Bolivia another Nicaragua or another Cuba; it also imposed an economic chaos on us, the desperate poverty of the people, the unconcealed deterioration of salaries and the galloping inflation that was pushing the country toward an abyss.

The national outlook was dramatic: A political setback was followed by a second fraudulent electoral act, a multiparty activity that proposed a quick institutionalization of the state ended in a most pathetic political vacuum. A frank conflict of power which has aggravated"

In the second line of the fourth paragraph substitute for [words indistinct]: "turned into an anarcho-syndicalist escalation that was unable..."

In the second line of the fifth paragraph insert word "not" following word "was."

In the fourth line of the fifth paragraph substitute for [passage indistinct]: "the same way there existed a really illegal, fraudulent and disorderly electoral process and a permament treachery to the fatherland, carried out by those antihistoric politicians who sway between the oligarchy and the Marxist elite, and who decidedly intensified the state of social paralysis."

In the fifth line of the fifth paragraph substitute for [passage indistinct]: "The development of the economy within the framework of the above-mentioned situation began to generate strong and demanding pressures which--considering the degree of dependency of our economy due to our imports, the existence of a fixed exchange rate and other factors--brought about a cumulative deficit"

In the ninth line of the fifth paragraph substitute for [passage indistinct]: "adopting disjointed measures which tended toward the maintenance of their regimes instead of reversing the negative tendencies that have already been pointed out. Thus we have the contracting of short-term debts through the so-called "swap" loans for more than $110 million for the..."

The last paragraph on page C 4 and the first paragraph on page C 5 are deleted. On page C 5, in the second line of the fourth paragraph substitute the word "high" for [word indistinct]. In the fourth line of the fourth paragraph substitute for [words

In the fourth line of the fourth paragraph substitute for [words indistinct]: "workers and businessmen, and it cannot be denied that in Bolivian homes there has been the justified fear that any day the state could become paralyzed in view of the seriousness of the crisis, continually fed by pressures and strikes."

The second line of the tenth paragraph from the word "evil" should read: "pretext of a democratic fever."

On page C 6, in the first line of the second paragraph, sentence should read as follows: "Under these circumstances we have reached the limits of an era of ignominy and disaster for the people of Bolivia."

In the fifth line of the sixth paragraph, the word "errors" is confirmed.

In the fourth line of the fourth paragraph, substitute for [words indistinct]: "which we will not abandon due to the obligations imposed upon us by the historical needs."

In the sixth line of the fourth paragraph substitute for [words indistinct]: "of the archetype of representative democracy..."

In the ninth line of the fourth paragraph substitute for [words indistinct]: "national society and its economy that is dependent on a reorganization of the framework and the attributions of the state."

In the third line of the fifth paragraph substitute for [words indistinct]: "the transnationals."

In the third line of the sixth paragraph substitute for [words indistinct]: "gradual."

In the fourth line of the seventh paragraph, sentence beginning with "But...." should read: "...all those who helped to destroy the structure and substructure..."

On page C 10, in the third line of the sixth paragraph, sentence should read: "than with politics, and meanwhile they will remain in recess until they lose the alienating characteristics..."

BRAZIL RECOGNIZES NEW BOLIVIAN GOVERNMENT

PY302241 Brasilia Domestic Service in Portuguese 2200 GMT 30 Jul 80

[Text] The Brazilian Embassy in La Paz was instructed today by Itamaraty to extend a note to the Bolivian Foreign Ministry recognizing the new Bolivian Government. The note is in answer to a request received 8 days ago from the new Bolivian Government expressing the intention to fulfill all its international commitments and to maintain good relations.

BRITISH FOREIGN SECRETARY ARRIVES FOR OFFICIAL VISIT

PY301249 Porto Alegre Radio Guaiba in Portuguese 1200 GMT 30 Jul 80

[Text] Recife, 29 Jul (AFP)--British Foreign Secretary Lord Carrington arrived tonight in Recife, capital of Pernambuco State in northeast Brazil, heading a delegation of representatives of British industry.

During his visit to Latin America, Lord Carrington will also visit Venezuela, Mexico and Barbados with the objective of strengthening political and economic cooperation between the British Government and those countries.

In Pernambuco, Lord Carrington will visit industrial installations in Petrolina, and he will fly to Brasilia tomorrow afternoon to meet with President Joao Baptista Figueiredo and various government officials including Foreign Minister Saraiva Guerreiro and Planning Minister Delfim Neto.

On 1 August the delegation headed by Lord Carrington will visit the Acominas [Minas Gerais Steel Company] steelmaking complex in the Minas Gerais State. He will depart for Barbados, the second leg of his Latin American tour, on 2 August.

FIGUEIREDO COMMENTS ON DEMOCRATIZATION PROCESS, BOLIVIA

PY300340 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 30 Jul 80

[Excerpt] Tomorrow's newspapers will report on the statements made today in Brasilia by President Figueiredo to Brazilian and Mexican journalists. Figueiredo made his first statement at the Embrapa experimental center after bidding farewell to Mexican President Lopez Portillo. He said that while the democratization process has been going quite well for the government, it has been going quite badly for the opposition. He said that, all in all, the democratization process couldn't be going better.

Asked about the opposition's political behavior, he said: They want yesterday what ought to be done tomorrow, but I believe that only what needs to be done today should be done today.

After describing the recent Bolivian political events as unfortunate, he said: If the new Bolivian Government respects its agreements with Brazil, we will have to recognize it. This does not mean, Figueiredo added, that we will support it. He made it clear that he and President Lopez Portillo did not discuss the Bolivian and Cuban issues.

President Figueiredo conceded, however, that political instability jeopardizes Latin American integration. He said that the efforts made by countries like Mexico, Brazil, Venezuela and Peru toward normalizing their respective political situations are instrumental in preventing antidemocratic regimes from going beyond the limits of good sense.

In another statement to the press, Figueiredo said that political rapprochement among Latin American countries will be achieved when these countries intensify their trade. He said: I do not believe in political interests based on idealism alone; I believe political interests should stem from economic interests.

FOREIGN MINISTER CONGRATULATES PERUVIAN COUNTERPART

FY301949 Santiago Chile Domestic Service in Spanish 1730 GMT 30 Jul 80

[Text] Foreign Minister Rene Rojas Galdames has sent a congratulatory message to his new Peruvian counterpart, Javier Arias Stella. The following is the text of the short message:

On the occasion of your appointment as Peruvian foreign affairs minister, I have the honor of conveying to you my most cordial congratulations and best wishes for success in the performance of your new duties.

GOVERNMENT COMMUNIQUE VIEWS CHURCH, TERRORISM

FY301949 Santiago Chile Domestic Service in Spanish 1100 GMT 30 Jul 80

[Text of government communique released by the government Social Communications Agency [DINACO] on 29 July]

[Text] In view of a communique released by the Santiago archbishopric's public information department, the government has the duty of making the following statement:

1. The archbishopric's communique evidently intends to present Juan Alejandro Rojas Martinez, a political extremist leader who was arrested yesterday at the headquarters of the archbishopric's south Santiago vicarate, as a simple citizen who seeks a solution to the problem of the families sheltered in a chapel in the town of La Bandera. This is untrue.

The truth is that he is the deputy chief of the Movement of the Revolutionary Left [MIR] of the southern zone and a member of paramilitary group No 3 of the same extremist movement, and that he has operated under the name of Simon. All this will be proven in due time before the court of justice.

2. The public has witnessed the progressive normalization of the country which has been sought by the government not only by limiting exceptional legal measures to a strictly necessary level to guarantee public order and the tranquillity of the citizens, but also by applying the measures of the state of emergency to a degree which is indispensable for the common good which is sought through this state of emergency.

If extremism believes it is appropriate to respond to the government's increasing restraint and objectivity in dealing with this matter by stepping up its terrorist activities, which are public knowledge, nobody should be surprised that the authorities have found it necessary to implement more drastic antiterrorist legal measures. People should be even less surprised at the vigor and extent of the police operations being carried out in order to arrest those who incite and commit murders, holdups and violations of property, such as the recent events which took place in the country which resulted in the death of innocent persons and a terrible national uproar.

3. The government warns those who are responsible for and have written the aforementioned archbishopric communique that no mistaken concept whatever will convince the government to forego its moral duty of facing terrorism and subversion with all the tools that the law provides. To retreat before those who incur grave responsibility by questioning the legitimacy of such tools would imply, in fact, becoming an accomplice to violence, forgetting that its effects constitute the worst, most cowardly and most dangerous way of attacking the human rights of entire nations, as can be proven today all over the world.

It is of little use to condemn terrorism if at the same time it is sought to weaken legitimate and efficient instruments which even in the most developed countries have proven to be the only ones capable of defeating terrorist actions and of granting the citizenry the basic human right of personal security. Those who from ignorance or lack of scruples encourage this type of incompatibility by protecting or covering up clear transgressions of the law will have to assume the moral and legal responsibility it implies.

On the other hand, Chileans are guaranteed that the government will not allow itself to be misguided by this kind of attitude, and neither will it confuse the respectability of the Catholic Church with the outbursts and superficial judgment of some of its local authorities. On the contrary, it will continue to apply the law strictly to those who break it, for the welfare of Chile and the safety of its inhabitants.

VISITING URUGUAYAN ARMY CHIEF ON FIGHTING SUBVERSION

PY301553 Paris AFP in Spanish 0432 GMT 30 Jul 80

[Text] Santiago, Chile, 29 Jul (AFP)--The commander in chief of the Uruguayan Army, Lt Gen Luis Vicente Queirolo, stressed here today that there is agreement on a number of ideas by the Uruguayan and Chilean armed forces on how to fight subversion and prevent chaos.

The struggle against subversion, he said, has been fought in a world that is moving between the suicidal lack of understanding of some and the interested state of liberalization of others, and this is leading us toward a bottomless abyss. He added that many voices are being lifted to score the armed forces of the two nations, "but such voices remained silent when they should have struggled to free their own peoples. While we were struggling in that war, they remained silent, but today they are again appearing under the umbrella of freedom--which we achieved with our blood--in order to point at and accuse us," he said.

We have taken to the streets, he said, to defend freedom and sovereignty, and we will do so again because the armed forces are prepared to safeguard those principles.

These statements were made by Queirolo during a ceremony in which the deputy commander of the Chilean Army, Lt Gen Washington Carrasco, decorated him with the great cross of the Order of Merit of Bernardo O'Higgins. The ceremony took place at the Penalolen army officers club and was attended by Uruguayan Ambassador Dante Paladini, high-ranking Chilean officers, diplomats and foreign military attaches.

Queirolo arrived in Santiago on Monday night for an official visit that will conclude on Thursday. Today he met with the defense minister, Lt Gen Cesar Raul Benavides.

NICARAGUA'S RAMIREZ MERCADO MEETS WITH ROLDOS

PA301538 Quito Voz de los Andes in Spanish 1230 GMT 30 Jul 80

[Text] A delegation of the Nicaraguan revolutionary government that is visiting Quito met with Ecuadorean President Jaime Roldos Aguilera. They discussed topics concerning democracy in the continent.

Regarding this, Sergio Ramirez Mercado, member of the Nicaraguan Government junta, said:

[Begin recording] [Ramirez Mercado] We have made a stopover on our way back to Nicaragua after attending the presidential inauguration in Peru. We have taken this opportunity to greet our dear friend, President Roldos, who is a very good friend of the Nicaraguan people. We discussed several matters with him especially those concerning the military coup in Bolivia. Regarding this issue, Ecuador and Nicaragua want a continental action to be taken at the OAS. This is a coup that affects all countries and peoples interested in a true strengthening of democracy in our continent. This is one of the topics we discussed. The other has to do with certain technical assistance that we requested from Ecuador particularly with regard to banana production and marketing. We also discussed other economic matters and technical cooperation which concern our two countries.

[Question] Will Nicaragua act with the Andean Pact at the OAS?

[Answer] Well, the Andean Pact initiative will be part of that of the Caribbean countries and there is an agreement among our countries on this. We feel that it is a situation that must be discussed at a consultation meeting. [end recording]

PEOPLE'S PARTY, PICHINCHA FRONT REJECT TRANSPORT STRIKE

PA292237 Quito Voz de los Andes in Spanish 1730 GMT 29 Jul 80

[Text] The Ecuadorean People's Party has issued a bulletin rejecting the strike decreed by the transport monopoly.

According to this political group, whose members include workers, employees, peasants and other organized citizens, the purpose of the organizers of this strike is to cause an unjustified passenger and cargo transport fare hike, further worsening the [word indistinct] of the people's battered economies.

Front's Communique

PA292238 Quito Voz de los Andes in Spanish 1730 GMT 29 Jul 80

[Text] We, the working class, the poor peasants and the truly popular sectors, will never believe that the capitalist bourgeoisie, owner of veritable transport companies that has decreed the transport strike, is a defender of the popular interests. Neither do we believe that the sale of 92-octane gasoline and the hike in the prices of staples are popular measures.

On the contrary, we believe all these measures respond to the interests of the national and foreign oligarchies responsible for the misfortunes, hunger and misery that Ecuadoreans currently endure, says a communique released by the [word indistinct] commission of Pichincha's Workers, Peasant and Popular Solidarity Front.

PRESIDENT INTERVIEWED ON POLICY, RELATIONS WITH SPAIN

LD291431 Madrid YA in Spanish 27 Jul 80 p 6

[Eugenia Montero undated interview in Lima with Peruvian President Fernando Balaunde Terry: "Peru Is Building"]

[Excerpt] Lima [Question] What will your government policy be?

[Answer] My previous administration's motto was:"Peru is building." I believe it is a good motto and that we must continue along this path.

[Question] The previous government confiscated Peruvian newspapers. What has prompted you to hand them back?

[Answer] We believe that that government should have resolved the problem that emerged in 1974. They acknowledged that it was an error which they unloaded onto us, and of course we are not going to persist in this error. We are going to reestablish full press freedom.

[Question] What does democracy mean for you?

[Answer] In my opinion democracy is the people's government. I am in the position I have reached exclusively thanks to the people. I do not represent major economic interests. I, personally, am a professional. I have never been an affluent man. The people who support me have the same characteristics. They are experts, professionals and people from very humble spheres, who have been extremely generous to me. Therefore, my presence in the government shows that democratic government is reached by the broad path of the people's disinterested support.

[Question] What is Peru's position regarding the Andean Pact?

[Answer] Fairly active and fairly hopeful. Obviously the pact has certain defects; there are certain frustrations, but these must be corrected.

[Question] Mr President, how do you view the situation in Bolivia? What will you government's stance be in this connection?

[Answer] We regard it with some anxiety. We took it for granted that Bolivia would have a democratic system; it already had one temporarily. We very much regret what has happened and will be examining the situation very thoroughly, because Peruvian-Bolivian friendship is a very important bond for the countries' future and for the continent's well-being.

[Question] How have your relations been with Spain? How will they be now that you are president?

[Answer] Very good. My inclination toward the mother country is well known and the other day I received a gesture of true simplicity. I was summoned to the telephone; I went to the telephone and was told: "King Juan Carlos is on the line...." So this attitude of the man who represents so much in the restoration of Spanish democracy, despite the fact that Spain is a monarchy, a constitutional monarchy, has encouraged us a great deal and it has encouraged us above all because here we have a monarch who is loved in Peru, who visited the country as a young man, as a midshipman, and who later came here on an official visit. Now we are also to have the honor of a visit by Prime Minister Suarez.

[Question] A bank was recently opened in Extebandes, merging the Andean Pact countries with the Overseas Bank of Spain. What might be the significance of this bank merger?

[Answer] I believe it is a very important bank. Spain is for us a beachhead in Europe, in the European Common Market, and all these credit facilities will greatly increase our trade and links which, though affiliated links, have been rather depleted for many years.

LOPEZ PORTILLO AFFIRMS CONTINUING RELATIONS WITH BOLIVIA

PY302301 Paris AFP in Spanish 2125 GMT 30 Jul 80

[Text] Sao Paulo, 30 Jul (AFP)--Mexican President Jose Lopez Portillo said here today that his country still maintains diplomatic relations with Bolivia.

The Mexican chief of state made this statement before leaving for Caracas after a 3-day visit to Brazil. Lopez Portillo said that events have just taken place in Bolivia that worry us and which have been criticized by the OAS, but we trust that commonsense will prevail on the continent. Asked if Mexico recognized the new Bolivian Government after the overthrow of President Lidia Gueiler, Lopez Portillo said: "We do not recognize governments. We either have or do not have diplomatic relations, and we are still maintaining them with Bolivia."

Comments on Relations With Cuba

FL301950 Havana Domestic Television Service in Spanish 1700 GMT 30 Jul 80

[Interview with Mexican President Jose Lopez Portillo in Mexico City by PRENSA LATINA special correspondent Mario Hernandez--date not given--recorded]

[Text] [Lopez Portillo] How are you?

[Reporter] Very well, First of all, Mr President, I would like to express my gratitude for this interview and, secondly, would like to explain how things are prior to your visit. The Cuban people have received with great joy the news about your visit and valued very highly the announcement of your visit. Mr President, please tell me your evaluation of the relations between Cuba and Mexico.

[Answer] I would call them close, original in the broadest sense of the word. We began to participate in the Western world's life as colonies in a historic process which profoundly unites the roots of our origin, our objectives and our future. Cuba and Mexico, as a matter of fact, are historically united, profoundly intertwined in our histories. They have complemented each other. If there is any nation in Latin America we call brother, it is precisely Cuba. I would term the relations, without any hesitation, as close and fraternal. I am totally, absolutely convinced of that. That is why is is very satisfying to hear what you are saying. If it is a matter of happiness, I would say I am very happy to visit Cuba which I do not know, except from its history and the work of its great men, fundamentally Marti and Castro.

[Question] Mr President, what was your impression of the first meeting you had with the president of Cuba's Council of State, Commander in Chief Fidel Castro, during your historic talks of May 1979 on Cozumel Island? And what have been the results of that meeting?

[Answer] It confirmed the impression I had that he was one of the strong personalities of this century. When this century's history is written, one of the outstanding personalities in it will be Fidel Castro. The impression I had of the renaissance of Latin America's process was confirmed with the personality of his physical presence. I found him to be a man of a brilliant intelligence, keenly perceptive, profound, eloquent and something else which for me is fundamental, a man who is happy and has a good sense of humor. When you have intelligence and a good sense of humor, you are in the presence of a man who gives satisfaction to know and deal with him. My personal knowledge of Fidel Castro, I repeat, confirmed the impression I had, and was enriched by the unforgettable conversations we had.

[Question] His historic speech at the United Nations stressed the universality of Fidel Castro. I would like to have you explain the essence of Mexico's foreign policy.

[Answer] If we would like to express it dialectically, it could sound vain, perhaps insolent. I would not like to do that but the question sort of leads into that. I believe that the diversity of the universe is the frequency with which it occurs [La diversidad del universo es lo frecuente que se da] and the possibility of going from diversity to unity is also permanent and that the history of the peoples' unity can be written with these movements toward integration. Due to this, we believe, based on international law, even though unitary solutions can be achieved through hegemonies, the reasonable path, the path which protects the peoples' dignity is the one of sovereignty. The established nations, politically organized, are better prepared to voluntarily become part of mankind, and sooner or later it will happen. I know that. I feel that. That is why behind the Mexican position which has been traditionally--I have recently reiterated this--one of unity from the very beginning of our republic there is also the process of self-determination and respect for free decision in internal affairs. In the last analysis, this is nothing but the practical expression of the technical concept of what sovereignty is. That respect for sovereignty and self-determination is a force that can solve the problem of world integration for us, in which those who in reality oppose it decide to integrate it. When we say that the solution of controversies should be peaceful, we are insisting on the same idea. When we assert that we do not have the right to intervene in external affairs, we are strengthening, with different expressions, a united concept of respect and dignity of the peoples and their destiny.

At the United Nations and in talks with world statesmen I have stressed very strongly that this is the only reasonable path for mankind to know better times and establish just orders, the path to integration through equal treatment of the peoples. Those who make their own decision with their self-determination commit themselves to fulfill juridical agreements aimed at having a better future for the world. I believe that all the underlying philosophy of our international theses invariably rest on those ideas and lead to that objective. It is the idea that at times appears to be immature but if you consider the alternative, one sees the convenience of this possibility. The other alternative is force, violence. Another possible path is in fact the most used but not the most decent or advisable or desierable. In such a way, by using just a few words without great complications, I hope I have not been bombastic. I have tried to sum up the foreign policy.

[Question] Mexico's foreign policy has been praised and respected by all peoples and, very especially, by the Latin American peoples. Mr President, how is Mexico following this path of peace, progress and cooperation that, as you have correctly noted, is demanded by today's world?

[Answer] Well, the view is that all problems have two sides which are conventionally separated and intimately intricate, but that must be seen separately to understand them. Internal problems are expressed according to the capacity and responsibility of the peoples or their irresponsibility and incapacity. It is evident that this interal capacity is insufficient in certain situations. It is imperative that we make efforts so that the world outside our internal matters gives us opportunities. That is why Mexico has made efforts--not fully satisfactory--in domestic matters; we are far from being satisfied. We understand that if we do not contribute to a fairer world order in the economic sphere, full of rights and obligations and with a strategy based on a world energy policy, we will not be able to get out of this situation. That is why Mexico has an independent domestic policy which could be termed in many ways. We are making an honest effort. We are fulfilling it. We also propose to participate in the effort for a fairer international order. At the United Nations, Mexico submitted a charter of rights and duties which is already in process, a complicated process due to the international bureaucracy, but it has been submitted and accepted and will have to work. It is the reasonable thing to happen. It is not always possible but what is desired.

I believe sooner or later it will prevail, some day. Given the problem created for mankind by the energy crisis, we are planning to submit a world energy plan, one which will make it possible for mankind to go from the energy era, which we will call the petroleum era, to an era in which other energy alternatives come into play. To the degree that we make the petroleum era last, we will have a better opportunity to go to that new availability of energy sources. Hence, our insistence on acting now that we can do it, through research work, exploitation, financing, transfer of technology, distribution and consumption of energy. The world plan which we submitted to the United Nations includes an outline which we find sufficiently complete and suggestive to be handled as a strategy. [Words indistinct] We have lacked understanding on the part of OPEC member nations and it is not a matter of insensitivity. It is a matter of a problem of procedure, a methodological problem. Energy sources are of such great importance in today's world that if we do not treat them correctly, the solution will be impossible. Mexico's view on solving problems concerns internal policies and self-determination as well as international order which will permit that self-determination to have an authentic historic opportunity so that the peoples may determine their destiny on a level of equality and respect.

[Question] Mr President, Mexico has followed the path of independence and sovereignty. This path has not been an easy one. Imperialism seeks Mexico's natural resources, especially petroleum and gas, and most recently with the situation in the tuna industry. What is your opinion in this respect?

[Answer] Mankind now has the means and a climate of criticism which does not allow abuses. These were very frequent in other times. The use of violence is repudiated and world public opinion is felt in a world of communications, such as ours. Arbitrary situations, even though they prevail and are frequent, can be fought aganist more easily. I am not afraid that Mexico's natural resources could be arbitrarily attacked, not in any way. We are living, fortunately, in an era that affords us the possibility to make our rights stand because of a universal awareness which is sufficiently strong to avoid a catastrophic policy. These are adjustments that take place. In the case of petroleum, we are selling it without any problems. We are setting our production goals as required by the country's development. We have sold the gas at a price set in a unilateral effort by Mexico, because we did not need other countries to help in this. In the case of gas, the effort was ours alone, and we accomplished it. We are not pessimistic. We base ourselves on established procedures of countries setting new petroleum prices and defending them. The struggle for the new price of gas waged by Mexico and was won by Mexico. The land has been fertilized, it was not a special effort. It was simply a case of making yourself heard, fortunately. In the case of the tuna industry, it is a process of adjustment in a policy of a migratory species. This generates rights for neighboring states but also for all those by whose coast the migration passes. We are in a process in which we make our rights stand and we are trying to get out of the international agreement which is no longer valid. We are trying to reach agreement with the United States. This has not been possible; so the situations arising out of this must be governned by national rights which are difficult to adjust. I trust we will find a rapid solution. I do not see it as a pressure; each of us makes his rights stand and we do our part. We are ready to take it to its last consequence, as I said. It is a constant struggle, a constant adjustment. In the case of tuna, it goes on with Canada, with Costa Rica. We are not pessimists.

[Question] In the face of a world such as we have today, Mexican President Jose Lopez Portillo, what message are you willing to send to mankind within the framework of today's situation?

[Answer] It must be understood that the nature of the problems extends beyond national borders, that it is absolutely essential that all must organize--respecting the sovereignties--using the formulas derived from mankind's knowledge. I believe mankind should go from one phase which I dare call a state of nature to another which is a sort of civil society, that mankind would overcome the state of semicivilized nature in which it lives today.

A civil society has to make it possible for mankind to live together in accordance with juridical practices, which would help us solve conflicts. My message to mankind would be: Let us go from a semicivilized state of nature to a civil society, a civilized society.

[Question] Mr President, what do you expect from this upcoming historic visit to Cuba?

[Answer] To ratify once more the ties of friendship with that great heroic people of Cuba who, in their use of their right to self-determination, are making their political and ideological vocation known. They have chosen their path, have freely expressed their will. There is a possibility we will step up our bilateral relations and strengthen our efforts with respect to a fairer international order that will give countries such as ours the opportunity to improve, to seek better conditions. I believe that is one of the opportunities that must be given to all countries, not only to exist, not only to perpetuate themselves, but to be perfect.

[Question] What message do you have for those people who will gather in Havana by the hundreds of thousands to welcome you?

[Answer] One of deeply felt fraternity. Warm greetings from the Mexican people who feel very close to them. Mexico understands the Cuban people's struggle. We wish them success in finding the perfect solution in accordance with their political vocation.

[Question] The last question deals with the author of "Quetzalcoatl Next to the Tree of the Universe." What can you say about that author?

[Answer] As an author who expressed one of his vocations in a book, one of the topic which I loved most when I was a child, the legendary topic of a mission which impressed me deeply, I must say it was part of Mexico's history. Later on I confirmed this when I studied Indian theories and research work I did in geography. I decided to give this topic a treatment... [Leaves thought unfinished] a literary effort to treat it with certain rights that the scientific research worker cannot use. On the other hand, he who makes a modest work of literary expression such as this has a certain degree of license to express frictions and experiences that in another manner would be limited because of the scientific treatment. The heme of Quetzalcoatl is the work of self-sacrifice for service. If we reach the extreme of self-sacrifice for service that is something very near the political vocation of the Cuban people. That topic of profoundly human vocation was focused upon in this small book to communicate to my fellow human beings the emotion, the anguish felt by a character who could be paradigmatic. I feel that Quetzalcoatl is as paradigmatic as Prometheus, for example, perhaps more profound. It is more the type of man who takes responsibility from life and projects it with the greatest degree at the service of his fellow human beings. That enormous emotion of the character is what I wanted to convey in my book, which you said must be in circulation already.

[Reporter] It is in circulation.

[Lopez Portillo] I hope so. It would be of great satisfaction for me that one Cuban reader would receive the message I have felt since I was a boy. The emotion I felt in my heart as well as his mission.

[Reporter] The book is being widely sold. It is being sold by the hundreds of thousands.

[Lopez Portillo] I hope you are right, my dear friend.

[Reporter] Mr President, I want to thank you for this interview granted to PRENSA LATINA. As Marti said, gratitude.

[Lopez Portillo] Very well, thank you very much, my friend.

POLICE DISPERSE DEMONSTRATORS AT SOVIET EMBASSY

PA310402 Madrid EFE in Spanish 0201 GMT 31 Jul 80

[Text] Mexico City, 30 Jul (EFE)--More than 100 young Mexican athletes and students today surrounded the Soviet Embassy here, trying to paint slogans--as offensive as the things they were shouting--on the embassy walls.

They were expressing their indignation over the judges' decisions at the Olympic games in Moscow against Mexican athletes Carlos Giron, Daniel Bautista and Gilberto Roman.

Police, who had been guarding the embassy for over a week, prevented the angry youths from carrying out their aims. Police confiscated four buckets of red paint with which they planned to "decorate" the embassy walls.

Col Arturo Marban, police and traffic operations chief, said that the youngsters were chanting, "Russian robbers, we want the Mexicans to come back."

Others were carrying placards which read: "We support Carter's boycott!" and "Shameless and inept Mexican sports officials, bring back our athletes!"

Marban said that the straw that broke the camel's back was an absurd decision favoring Bulgarian boxer Para Lessov, snatching a legitimate win from Mexican Gilberto Roman in the flyweight quarter finals.

PEMEX ANNOUNCES OIL PRODUCTION GOAL REACHED

PA230354 Paris AFP in Spanish 0009 GMT 22 Jul 80

[Text] Mexico City, 21 Jul (AFP)--PEMEX, the enterprise that exploits and distributes petroleum and its byproducts in Mexico, has reported here that today the country produced 2,276,000 barrels of oil.

With this figure, Mexico surpassed the 2.25 million barrels-per-day figure that the Mexican Government had established as a goal.

The new record production today places Mexico in first place among oil producers in Latin America and fifth in the world.

BRIEFS

AMBASSADOR TO PHILIPPINES--Mexico City, 15 Jul (AFP)--It has been reported that Joaquin Bernal, former general director of protocol of the Mexican Foreign Secretariat, has been appointed ambassador to the Philippines. [Paris AFP in Spanish 1625 GMT 15 Jul 80 PA]

COSTA RICAN PRESIDENT, NICARAGUAN JUNTA MEMBERS ARRIVE

PA302032 [Editorial Report] Panama City Deomestic Service in Spanish at 1742 GMT on July 1980 carries a live report from Paitilla Airport on the arrival of Costa Rican President Rodrigo Carazo Odio. At 1743 GMT the plane carrying President Carazo, who is coming from Peruvian President Belaunde Terry's inauguration in Lima, lands at Paitilla Airport. Carazo is met by Panamanian President Aristides Royo, Mrs Royo, Panamanian Vice President Ricardo de la Espriella and National Guard Chief of Staff Lt Col Florencio Florez.

In a short address to those present Carazo says: "Best wishes to the people of Panama. I am pleased to express solidarity with the president and his family."

President Royo invites President Carazo to ride in a car which he himself is driving on the short trip to the presidential palace. Vice President de la Espriella and Lt Col Florencio Florez also enter the car. Mrs Royo and the people in President Carazo's party enter other vehicles and the motorcade departs.

The announcer reports that he has heard at the airport that President Carazo will be holding a luncheon meeting with President Aristides Royo to be attended by Sergio Ramirez Mercado and another member of the Nicaraguan Government junta who had arrived earlier today at Tocumen International Airport. The live report ends at 1747 GMT.

News Conference

PA302215 Panama City Domestic Service in Spanish 2032 GMT 30 Jul 80

[News conference with Panamanian President Aristides Royo, Costa Rican President Rodrigo Carazo and Nicaraguan junta member Sergio Ramirez Mercado at the presidential palace in Panama City--live]

[Text] [Reporter Eloyda Martinez Denis] Listeners, we are transmitting from the Yellow Room of the presidential palace. Costa Rican President Rodrigo Carazo Odio, Nicaraguan Government official Ramirez Mercado, Panamanian President Aristides Royo and some other Nicaraguan Government officials have just arrived here en route from Lima, Peru.

[Royo] Well, since I am home I suppose I don't have to say anything, right? [laughter]

[Martinez Denis] The news conference which Carazo and Ramirez Mercado have been kind enough to hold with national reporters will now begin. President Carazo Odio and Mr Ramirez Mercado, we would like to know what agreements you have reached during your talks with President Royo on the situation in Central America.

[Carazo] Thank you very much. First, cordial greetings to the Panamanian people and to you all. I am pleased to be able to talk to you. This question gives me the opportunity to tell you that, oddly enough, we didn't talk about Central America. We talked about Bolivia. Basically we discussed the Bolivian issue which concerns us all right now since we are all abreast of Central American affairs and in constant touch. I would say that the Bolivian issue concerns us because a democratic process has been stopped and because America harbored hopes about that process. Every effort should be made so the inter-American system can improve things in some way to insure that the process will be resumed promptly.

[Question] Mr Carazo, Mexican President Lopez Portillo will visit San Jose, Costa Rica, again soon. Could you give us any information on the document that will be publicized there on the agreement between Mexico and Venezuela to provide oil at preferential prices to Central America including Panama?

[Carazo] I want to note that Sunday we will welcome the Venezuelan and Mexican presidents for another visit. It would not be right for me to discuss the document now since they are going to reveal it. I would say that anything that benefits the area pleases all of us. I would say that a policy like that which those two presidents have announced is especially advantageous for us, and that we welcome it. However, details are up to them to disclose and we must wait to hear these details from them.

[Question] Are you saying that this will bring direct benefits for Panama and Central America as concerns oil prices?

[Carazo] There is so little time left [before their visit] that we should have a little more patience.

[Question] Mr President, Mr Ramirez Mercado is here also. During your talks with the Panamanian president, did you discuss any new aid to the Nicaraguan people?

[Carazo] I would say that all of us are interested in Nicaragua's reconstruction. Nicaragua is part of Central America. It is our neighbor, a dear nation undergoing a new experience under a government which is trying to reconstruct its country. We will appreciate any help going to Nicaragua since we are part of the region.

I want to state clearly that all the countries of the world should give special aid to Nicaragua. We are doing it to the extent of our abilities.

[Question] Mr President, how do you think the Central American--especially the Salvadoran--immigrants arriving in your nation will affect Costa Rica?

[Carazo] Well, the truth is that so far only a few have arrived. During the last few months of the Somoza dictatorship we had more than 100,000 Nicaraguans in Costa Rica, in addition to those who were already living there. Costa Rica is a country that gives asylum. If there is any way we can help mankind with a humanitarian action we do so with pleasure.

[Question] Mr President, recently there was talk about the black sigatoka disease. What measures are you taking to counteract the effects of this disease?

[Carazo] Since this is a technical matter that deserves a lengthy reply, it is risky for me to summarize the situation, but I am going to try to do it after having noted this fact:

The banana producing peasants in Costa Rica have been of great assistance in the struggle against the black sigatoka. I would say that this disease has been successfully stopped in several parts of the country where it appeared with a great intensity, catching us by surprise. That was very dangerous.

The Agriculture and Livestock Ministry, other institutions of the agricultural sector and the peasants, as I said before, have been the fighters in this struggle that I expect will continue, because this type of disease requires a continuous struggle. This struggle will protect the banana plantations, which bring much currency exchange to the countries of this region.

[Question] I would like to ask Mr Sergio Ramirez of the national reconstruction junta of Nicaragua about Nicaragua's initiative in the OAS. This is with regard to the conversations of the three presidents on the situation in Bolivia. According to a report, Nicaragua's position is that the OAS must be more aggressive in the case of Nicaragua, and that Nicaragua has its reservations about the attitude of the OAS and that Nicaragua was going to demand a more belligerent position from the OAS toward Bolivia. What can you tell us in this regard?

[Ramirez] First of all, this is not an initiative from Nicaragua alone. This is an initiative we have shared with the Governments of Panama and Costa Rica, and we hope that other democratic governments of Latin America will also join this initiative. Regarding Nicaragua's particular point of view, we believe that the OAS should assume a position of safeguarding democracy in Latin America as it did in its 27th meeting which studied the case of the Somoza dictatorship. The OAS should also prevent the democratic system from being uprooted in such a crude way as has happened in Bolivia, when, following the initiation of a democratic process with guarantees from the armed forces themselves, suddenly that process is beheaded and the Bolivian people see their desire to have a freely elected government frustrated. So, in an effort to interpret a sentiment that is not only ours but also that of other countries which, like Costa Rica and Panama, share the same position, we aspire to have the OAS go farther than just deploring the military coup. We want firm steps to be taken to guarantee that Latin America will not be affected by this type of occurrence in the future.

[Question] Referring to the same subject and the OAS, OAS countries are very interested in a restructuring of the OAS. What is your opinion in this regard?

[Ramirez] More than a restructuring, the Government of Nicaragua would like for the OAS, as a continental mechanism, to be efficient in handling matters that are of interest to all the Latin American countries.

Someone might wonder why Nicaragua is interested in anything happening in Bolivia. Events there are of great interest to us. We are interested in democracy, in having the will of the people respected and in having military coups become past history in Latin America.

[Question] What have been the national and international repercussions of Fidel Castro's visit to Nicaragua and his 1-week stay in your country?

[Ramirez] We invited President Castro to visit Nicaragua on the same date and in the same way as we invited other heads of state of Latin America. In addition to President Castro, we were visited by Prime Minister Bishop of Grenada and Prime Minister Price of Belize. We were hosts to high-level delegations from other Latin American countries and from other regions of the world, who were also invited.

We have clearly established our relations with Cuba in the sameway as we have done with other countries with which we have opened relations following the revolutionary victory. We had no relations with those countries as a result of the circumstances created by the Somozist dictatorship, which prevented the Nicaraguan people from having free relations with all the countries of the world based on our status as a nonaligned country.

President Castro was cordially received by the people and Government of Nicaragua. He visited cities of the interior of Nicaragua for 1 week. He visited the cities that were destroyed by the war. He talked with various sectors of the national life, including priests, the private enterprise, students, the government and so forth. I don't think this has had any repercussions for the rest of Central America.

On the platform with Fidel Castro at the commemoration celebrations were also representatives of the armed forces of Honduras and representatives of other countries of Latin America and the continent, including a high-level delegation from the United States. Castro had an opportunity to talk with the representative of President Carter--Mr McHenry--and with U.S. Ambassador Pezzullo. He spoke with them for a good while. We only witnessed this meeting.

[Question] Since you mentioned the prime minister of Belize, Price, I would like to ask if there was any talk [words indistinct] between Belize and Nicaragua?

[Ramirez] As you know, the right of Belize to be independent has been confirmed on several occasions by the UN General Assembly. Certain circumstances so far have prevented the people of Belize from exercising their independence. Nicaragua favors the self-determination of the people of Belize. The moment Belize becomes independent, the Nicaraguan Government will recognize the Government of Belize and will establish diplomatic relations with that government.

[Question] President Carazo, Costa Rica's aid in Nicaragua's revolutionary process was effective, real and tangible. Will Costa Rica give the same type of aid to the Salvadoran insurgents?

[Carazo] In the case of Nicaragua, Costa Rica fulfilled a twofold task. First Costa Rica defended itself from threats and attacks from Somoza. These attacks came not only in the form of bombings but also of incursions by the Nicaraguan National Guard into various border areas.

In this regard, Costa Rica's position was defensive and one of protest because of the presence of a regime that did not respect our sovereignty and continuously threatened our country and its people.

We also went to the OAS to satisfy a common aspiration of Central America and of the Nicaraguan people--the same way we are presently working in the OAS in the case of the Bolivian people--noting that there was a need for a clearly established policy toward Somoza. This was done in the 27th OAS assembly meeting in June 1979. In that meeting it was clearly established that the Somoza regime should come to an end.

So our aid was effective, specifically in the institutional field, in which we have always believed. I must say that the people of Costa Rica always sympathized with the efforts of the people of Nicaragua; and that the Somoza dictatorship, which was approaching a half century in power, represented not only a threat to our country, but also a blemish on Latin America and for mankind. Fortunately, it is over. We would like it to be history, as Sergio said a while ago.

El Salvador has never been a threat to us. I believe that there is a very special situation in El Salvador. All Latin Americans must pay very much attention to that situation.

In many developing countries, including El Salvador, the people struggle to overcome their social and economic problems, to solve their material and spiritual needs. However, concurrent with this struggle, there is the tragic hegemonic struggle of big nations that use our territories to adjust their difficulties and differences, thus complicating the lives of the small countries.

At present, El Salvador is going through this double tragedy and for this reason we have clearly stated that the junta is a transition alternative that should lead to elections and to a strengthening of Salvadoran institutions. We have excellent relations with that government and we hope that it will be consolidated for the benefit of the Salvadoran people.

[Question] One more question for Sergio Ramirez Mercado. Recently there was a report on an extradition request against dictator Anastasio Somoza. We would like to know the status of that request.

[Ramirez] We are involved in a legal procedure to extradite Somoza. Unfortunately, we believe that before we have the opportunity to extradite him, he will die as a result of a crime of passion, considering all the messes in which he has gotten involved in Paraguay, according to international reports.

The Nicaraguan people desire Somoza's extradition and the extradition of the most important members of the Somozist regime who are in the United States. The Nicaraguan Justice Ministry is preparing the cases to be presented to common courts of Nicaragua so that once sentences are extended they may be communicated to U.S. courts. According to the extradition treaty between Nicaragua and the United States, these people, who are guilty of murder, theft and embezzlement of treasury funds, should be legally returned to Nicaragua.

Although what I am going to say has nothing to do with your question, I would like to say that the Government of Nicaragua, through me, has extended a fraternal invitation to President Royo and President Carazo to visit Managua for the great event of closing the national literacy crusade. That is the day when approximately 80,000 young literacy brigade members will be returning to Managua to report their accomplished mission after having brought literacy to approximately 600,000 Nicaraguan brothers. This has been a hard and heroic struggle that has taken them since the end of March of this year to complete it.

We think this historic day will be a great opportunity for President Royo and President Carazo to be with us.

BANANA WORKERS END STRIKE AFTER 77 DAYS

PA301337 Panama City STAR AND HERALD in English 30 Jul 80 p 1

[Text] A strike by banana workers that threatened to bankrupt six independent Changuinola growers ended yesterday after 77 days.

The end of the strike came as a result of an agreement reached between the workers and the growers with Labor Minister Oyden Ortega.

On Monday the National Enterprise Council (CONEP) had called upon President Aristides Royo to take steps to bring the strike to an end because of the "huge losses it was causing the government, private enterprise and workers."

For more than a week, most of the 480 workers on strike had declared their desire to return to work but expressed fears of reprisal from the strike leaders.

They blamed the strike on Ernesto Pitti Guerra, who they said belonged to an extremist political organization.

Pitti himself recently told a reporter in Changuinola he was a candidate for alternate legislator in the September elections and had resorted to the labor movements as "a stepping stone to a seat in the legislature."

The plantations that had been affected by the strike and their owners are:

Enilda, Luis Nuquez; Rosaio, Manuel Carrera; Santa Cruz, Manuel de J. Quintero; Santo Domingo, Domingo Ochi; Santa Marta, Danilo Chavarria, and San Bosco, Humberto Flores.

The banana workers were to return to work today.

CANAL COMMISSION MEMBERS COMMENT ON ISSUES

PA241801 Panama City Circuito RPC Television in Spanish 2300 GMT 23 Jul 80

[Statements by Ricardo Rodriguez, Edwin Fabrega and Tomas Paredes, Panamanian members of the Panama Canal Commission, reported by news director Fernando Eleta Casanova at Panamanian presidency; date not specified--passages in quotation marks recorded]

[Text] [Eleta Casanova] Many important points were discussed during the ordinary session of the Panama Canal Commission Board of Directors. One of these was the code of ethics to be applied to all the Panamanian and U.S. personnel involved in the operation of the canal. Government and Justice Minister Ricardo Rodriguez, a member of the Board of Directors, has explained the Panamanian position in this regard.

[Rodriguez] "During the first session, we, as Panamanian Government representatives, opposed the adoption of the code of ethics and we emphatically stated that as representatives of Panama on the Board of Directors, we could not be subject to norms issued by an organ that belongs to the structure of another government. We said that as government representatives we could not be subject to the common disciplinary rules governing employees of an ordinary institution. That is the position we adopted in the first session of the Board of Directors of the Panama Canal Commission. As a result of that debate, the issue was postponed.

"On this occasion, the U.S. delegation once again presented a draft code of conduct but different from the initial draft. In the first draft, all the employees and members of the Board of Directors, regardless of their nationality, were subject to the code of conduct and to U.S. legislation. In the new draft, even though norms of the code of ethics are adopted, this is done in two parts: one for the U.S. employees and members of the Board of Directors and another for the Panamanian members of the Board of Directors. So the code is divided into two parts: one for all the employees and another for the members of the Board of Directors. Regarding the members of the Board of Directors, it explicitly states that the Panamanian members of the board are not subject to U.S. legislation but to Panamanian legislation dealing with ethics. In other words, they expressly state that we are not subject to any U.S. legislation.

"Our opposition to the code of ethics is due to certain very delicate norms which permit very accommodating [acomodadas] interpretations. It is also a result of formal aspects; namely, as government representatives we cannot be subject to such norms. This is not necessarily due to the ethical content of the famous code of ethics because if we look at its content, in general I would say that 99 percent of its norms are correct and respond to the desire to achieve correct moral behavior from all the members of the Board of Directors and the employees of the Canal Zone. However, as representatives of a government and the fact that, in the end, the code is the product of an organ that is an agency of a foreign government does not permit us to be subject to those rules. We categorically stated this. We said that despite the fact that the code of ethics was approved by five to four, the Republic of Panama did not accept that code of ethics and did not feel it was subject to those norms. However, we said that through the other channels established by the treaties such as the consultative committee and at the embassy level, we would continue to debate the problem so that the U.S. Government will issue the necessary measures so that this part of the code referring to the Panamanian members of the Board of Directors will be abolished or abrogated."

[Eleta Casanova] Minister Rodriguez also spoke on the draft of the delimitation of functions between the canal administrator and the Board of Directors which was presented by the North Americans.

[Rodriguez] "In general the draft expresses the Panamanian position that the Board of Directors is the body that really directs the entity called the Canal Commission. This is the objective of the draft of the resolution since it gives maximum authority to the Board of Directors and points out the important functions of the Board of Directors such as approving the budget, assigning functions to the administrator, deputy administrator chief of engineers and other important officials of the Canal Commission, and approving the labor policy and the employment and wage systems. In sum, all the most important functions remain in the hands of the Board of Directors.

"However, we opposed it because we believed that the draft could be improved. In other words, the authority granted to the administrator must be consistent with the new circumstances which are the result of the Torrijos-Carter treaties. The draft of the resolution specifically lists six or seven functions that the Board of Directors reserves for itself. Another paragraph then states that all those functions which have not been assigned to the Board of Directors are left in the hands of the administrator, for example, the conclusion and approval of contracts, the establishment of regulations for the functioning of the boards of inspectors which deal with the claims over canal transit accidents which is a very important function, and the settlement of claims. All these functions would be left in the hands of the administrator who would use his own discretionary power even though the same resolution establishes that the Board of Directors maintains the power to review the administration's actions.

"We believe that, given the new circumstances, it is logical and normal that the specific functions of the Board of Directors be expressed, that the resolution state that those functions not assigned to the administrator are in the hands of the Board of Directors and that the functions of the administrator be also defined. Regarding the power to sign contracts and undertake transactions and so forth, limits and categories should be established to reflect a new way of administering the canal in accordance with the Torrijos-Carter treaties. That is, the resolution should indicate what contracts must be previously approved or authorized by the Board of Directors, what contracts can be approved afterward by the Board of Directors and what contracts can be concluded by the Canal Zone administrator in accordance with his own judgment.

"We also pointed out that all the regulating functions, those of issuing general regulations for the functioning of the Canal Commission, must exclusively be in the hands of the Board of Directors.

"These observations, which are not all of the ones we made, reflect our concern that this new resolution, which leans in the direction that the republic and its spokesman, the president of the republic, have pointed out, to the effect that the Board of Directors should be a real Board of Directors because this is established in the text of the treaties, is generally positive. However, these deficiencies must be corrected. These observations, I repeat, were favorably received by the U.S. delegates and discussion of the subject was postponed until the next Board of Directors meeting which will be held in New Orleans in October.

"I believe our observation about establishing certain limitations on the power of the administrator has been viewed positively by the U.S. delegation and I think that in the next session we will have a draft which will be more consistent with the viewpoints of the two delegations. I think there is a consensus or at least a substantial improvement in the draft."

[Eleta Casanova] Thank you, minister, Edwin Fabrega, a member of the board, will explain his new duties. He is not chief of maintenance of the canal. Instead he has been elected chairman of the Canal Planning and Improvement Commission.

[Fabrega] "In truth, our function is to follow closely the work of the Canal Commission Planning Group, to encourage their studies and then to advise them so studies will be made which will guarantee that in the year 2000 Panama will receive a canal in better conditions than those which exist now and in perfect condition to handle the traffic foreseen for that time."

[Eleta Casanova] We asked Fabrega about the plans to achieve those objectives.

[Fabrega] "There are very specific plans. For example, the increase in the number of mules means that less time is lost in getting the ships in the locks and that the transit will be faster. The deepening of the canal means there will always be a proper depth for the ships and that we will not have to impose the cargo reductions that sometimes are established because of lack of depth. This will also permit an increase in the number of transits that ships can make in a year. Those studies also include ones on special illumination and on internal navigation controls to permit big ships to transit at night. That area is frequently foggy, which makes night navigation impossible.

"All those projects, which are very costly, would guarantee more efficiency in the canal. We are talking of investments of no less than $40-$50 million a year. In the budget that has just been approved for 1982 we have noted that only $27 million has been allocated for this. We feel it is not enough, even though the $27 million is well allocated, directed at solving the main problems, which are the traffic bottlenecks. We think policy in this area must be more aggressive.

"They [not further identified] also recognize that there are limits imposed by the implementation law which governs them. It establishes that the canal expenditures must come strictly from its revenues. This imposes limitations because the enterprise is limited in asking for loans and in making investments now when it is cheaper, rather than when it will have money available after years of collecting tolls."

[Eleta Casanova] Fabrega explained the budget approved by the Board of Directors for the next fiscal year for the operation of the canal.

[Fabrega] "The budget that was approved amounts to approximately $430 million, 75 percent of which comes from toll revenues. The other 25 percent is from revenues from other Canal Commission services such as payments for the electric energy supplied to the armed forces, the tow services for the ships which dock in the ports or additional tugboat service for ships which cannot transist the canal by themselves. These amount to $430 million a year of that budget. There is an estimated amount of payments to Panama based on the tonnage that transits the canal, the set $10 million paid to Panama and the $10 million paid to Panama for the services it provides to the canal area. It is estimated that $75 million of that budget will go to Panama.

"That budget includes $27-$28 million for investments. This includes the purchase of new tugboats and mules. These are part of the improvement programs which, as I indicated before, are the ones we are interested in as members of that commission, to make sure that the canal will have adequate capacity to handle traffic on the day we receive it in the year 2000."

[Eleta Casanova] Fabrega also said that although Panama approved the budget, its representatives made the observation that they did not agree with the payment of $17 million for interest on the cost of construction of the canal since our country considers that this has been fully paid. Fabrega also said it was established that the budget would be flexible so changes will be considered when the wages between the old and new workers are leveled.

Tomas Paredes will speak about the labor aspects.

[Paredes] "Panama had the opportunity to present at the Board of Directors its position regarding various labor aspects. In the first place, Panama presented its position regarding payment of the second part of the 13th month bonus by the Panama Canal Commission. It indicated that this is the obligation of the employer and at no time can it be transferred to the worker. Second, Panama presented its position on the immediate elimination of the pay scales that went into effect on 1 October for the new workers of the Panama Canal Commission since these introduce discriminatory aspects. It has led to cases in which two people who do the same work receive different wages.

"In the third place, Panama presented a proposal for wage adjustment for the Panamanians who are Panama Canal Commission employees and who live in the canal area due to the decrease in their purchasing power as a result of the increase in the cost of living since they do not have access to housing, food, gasoline and public services which are subsidized, as was the case with the Panama Canal Company.

"In other labor aspects, Panama vigorously protested the application of some temporary measures that the Canal Commission has adopted through its administrator with regard to the preferential hiring of Panamanians by the Canal Commission, the rotation of North Americans in that agency and the hiring of citizens of third countries outside Panama.

"Panama maintained a firm position regarding fulfillment of the provisions of the 1977 Panama Canal Treaty. Special stress was made in these discussions on labor aspects regarding the application of title 7 which regulates the labor-management relations in the canal area. Title 7 is essentially based on U.S. law and therefore its application flagrantly violates the Panama Canal Treaty.

"The last subject to be discussed in labor affairs was that of the ombudsman. Panama has said that this position in the commission is discriminatory because it is established that it must be filled by a U.S. citizen. We also said that in the application or implementation of that ombudsman position much care has to be taken so that the person in that post will not apply or interpret the provisions established in the Panama Canal Treaty."

[Eleta Casanova] What were the results of these complaints? Was agreement reached or did the United States obtain approval by five to our votes?

[Paredes] "No vote has taken place. On the contrary, most of the Panamanian complaints are the object of serious studies and analyses by the U.S. members of the Board of Directors. For its part Panama has been drafting and improving all these proposals and their economic, social and political effects. I think that in a third meeting of the Board of Directors which will be held in October, final decisions on these subjects will be made."

[Eleta Casanova] Even though there are differences between Panamanian and U.S. representatives, the sole agreement to postpone decisions until consensus is reached seems to indicate that the implementation of the treaties is functioning.

From the presidency of the republic, this is Fernando Eleta Casanova.

HONDURAS, EL SALVADOR START NEW ROUND OF TALKS

PA302133 Tegucigalpa Radio America in Spanish 2150 GMT 29 Jul 80

[Distributed by Inter-Central American Radio Organization]

[Text] Honduras and El Salvador will start an important round of talks in Lima today. They will discuss the thorny issue on border demarcation. The two countries will start another round of talks in Lima in an attempt to solve the border conflict which prevents the signing of a general peace treaty. The negotiating commissions of the two countries will meet under the mediation of former Peruvian President Jose Luis Bustamante y Rivero who will listen to the two parties for the last time before issuing his opinion on the matter.

Honduran Foreign Minister Eliseo Perez Cadalso and Salvadoran Foreign Minister Fidel Chavez Mena are participating in the talks which will last 3 days because the controversial border issue will be thoroughly discussed as it is the most difficult barrier on the way to peace.

Perez Cadalso will take advantage of this occasion to tell the Salvadoran foreign minister and the mediator that the Honduran Government will continue to attend any forums aimed at seeking peace formulas between the two countries.

The constitutional status of our government might be a positive factor so that the peace treaty can be signed before the end of this year, as the foreign minister has predicted.

COSTA RICA

ARMS TRAFFIC COMMITTEE WANTS PANAMANIAN REPORT

PA301449 San Jose Radio Reloj in Spanish 1200 GMT 30 Jul 80

[Text] The special legislative committee on arms trafficking in the national territory met yesterday behind closed doors. No newsmen were allowed in. Santi Quiros Nadino, who was appointed by President Carazo to investigate the arms traffic charges, appeared before the committee. Quiros Nadino met with committee members for about 1 hour.

After meeting the deputies, Dr Quiros Nadino laconically told the newsmen awaiting him outside the special committee rooms: It was a very friendly and cordial session and talk. I told them that I am willing to place at their disposal everything connected with my work, which I am carrying out at the president's request. He also reiterated his desire to work in coordinated fashion in order to do a better job and, above all, to find out what actually happened.

Dr Santi Quiros Nadino admitted yesterday that he recently visited Panama City to obtain a copy of the Panamanian attorney general office's report on the arms traffic to El Salvador from Costa Rica. Although certain steps were taken, I was unable to obtain it or even to see it, the executive branch official and expert criminologist said at the legislative assembly after meeting with the special investigative committee.

Upon conclusion of Mr Quiros Nadino's audience yesterday, the legislative assembly's special committee agreed to approve a presidential motion to travel to Panama next week. Deputy Bolanos Altizar announced that contacts with his Panamanian counterparts began yesterday to coordinate a visit. Basically, he explained, we will try to obtain a copy of that report, which I have promised to the government of that sister country. [sentence as heard]

After yesterday's session with Dr Quiros Nadino, Gerardo Bolanos, the investigative committee's president, told the legislative assembly that because Mr Quiros Nadino was appointed by another government branch he had ordered the session to be secret and not even the records will be transcribed.

Mr (Barry Robert), manager and owner of a travel agency, whom Maj Mario Fallas has mentioned, is expected to appear before the committee today.

Further on Government's Involvement

PA251553 San Jose Radio Reloj in Spanish 0100 GMT 25 Jul 80

[Text] The government paid (Exaco) 301,000 colones for seven trips to bring in weapons from Panama, Jesus Carrasco (y Yanes) has told authorities. He said (Exaco) offered its aircraft to the government in June and July of last year when the situation with Nicaragua grew dangerous, and that after President Carazo accepted the offer, Colonel Marti asked them to cooperate and make several flights to Panama to bring in weapons to defend what he termed the threatened national sovereignty. Those trips were made.

Colonel Marti made this request in his office. The flights were to be made from Juan Santamaria Airport to a Panamanian Air Force base. They were told they would be bringing back (?quad-50 machineguns).

According to Carrasco, since (Exaco) was in bad financial shape, Colonel Marti ordered the Costa Rican Oil Refinery [Recope] to let it have fuel, to be signed for by the company's mechanics. This fuel was part of the Security Ministry's quota and was not a gift to the company, as it was later discounted from the cost of the flights. Thus, (Exaco) received all the fuel it needed from Recope in the manner explained above.

According to Carrasco, a former (Exaco) employee, the civilian authorities at Juan Santamaria Airport were advised that this was a military operation for the defense of the country's sovereignty and in this manner we were exempted from abiding by the formalities applicable to civilian aircraft, which meant that the airport employees did not have to demand flight plans or control documents connected with the arrival or departure of any of these planes. None of these flights were recorded by civil aviation authorities. The coordination of the flights as well as the unloading and destination of this war materiel were the exclusive responsibility of Col Guillermo Marti, Carrasco added.

Carrasco explained that they were later informed that the planes could land at Llano Grande Airport under the same conditions.

(Exaco) made seven flights bringing in these weapons. Each of these flights cost the government 43,000 colones, thus totaling 301,000 colones for the seven flights plus a flight to Panama to return some materiel. All this amounts to a grand total of 344,000 colones.

The planes could have brought in 22,000 pounds of cargo on each flight, thus totaling 154,000 pounds of war materiel.

According to Carrasco, the pilots who made these flights were Carlos Solano and (Gabriela Amaris). Copilots were William (Gross) and Julio Calderon, and occasionally Roberto (Cokemper), a former Public Security Ministry pilot. Flight engineers were Juan Campos and Julio Saavedra. These were the Costa Rican personnel who brought the weapons from Panama to Llano Grande Airport in Guanacaste.

Carrasco said the government's payment to (Exaco) was made three ways: by discounting the price of the fuel given it; in checks; and in cash. All of this is in the company's records, Carrasco said.

EL SALVADOR

INTERIOR MINISTER ADMITS HEAVY LOSSES NEAR HONDURAS

PA310121 Panama City Televisora Nacional in Spanish 2315 GMT 30 Jul 80

[Text] Salvadoran Interior Minister Ovidio Hernandez has announced that dozens of soldiers died and 60 were wounded in fierce fighting against leftist guerrillas in northeastern El Salvador.

The Salvadoran Human Rights Commission has stated that the evacuation of more than 9,000 persons from the combat area means a war of extermination is taking place. The commission called on the international community to investigate violations of human rights.

Minister Hernandez briefly commented on the dozens of dead soldiers and no less than 60 wounded soldiers in the town of Perquin. This is the first official confirmation of large-scale battles in that region.

The armed forces have been silent regarding details on clashes and have not reported on casualties. A Perquin doctor has reported that he has been handling at least 10 wounded soldiers every day.

The Salvadoran army has sent 1,500 antiguerrilla specialists to the area, 8 km from the border with Honduras, in the mountains, where there have been clashes with approximately 1,000 guerrillas who operate in groups consisting of 100 or more men.

MNR DOCUMENT ANALYZES NATIONAL SITUATION

PA302337 San Salvador API NEWS in Spanish Vol 2, No 138 pp 1211-1220

[Special report on National Revolutionary Movement [MNR] stand]

[Excerpts] San Salvador, 29 Jul, API NEWS--The National Revolutionary Movement (MNR) has issued an analysis of the country's situation and explains why it has joined the Revolutionary Democratic Front (FDR).

"Our members and followers understand that our democratic principles have prompted us to join the FDR, and see in this alliance further evidence of our identity as an organization of the people, by the people and for the people."

"As a member of the FDR, the MNR wishes to state that "it is politically naive in dealing with the revolutionary forces."

Our people "know where they are going and are eagerly contributing to the national changes and to democratization."

"For little over a decade, since just before the useless war with Honduras, we have been weighed down by an economic crisis which the government imposed on the Salvadoran people--representatives of oligarchic power--has been unable to alleviate, and much less to solve.

This has brought us to a certain conclusion: We must put an end to oligarchic power and its political and military subordinate forces (inside or outside the government) in order to overcome the crisis affecting our entire society. This means we must wage the battle in various manners. One of them is to analyze in a calm and objective manner our political situation which allows us to state our only alternative is to unite all social and political forces in the nation suffering under the control of oligarchic power in order to build a new democratic revolutionary regime which will truly be of the people.

Our analysis is that the political bloc which is usurping power at present, in which several rightist, reformist and reactionary forces are grouped, cannot solve the present national crisis and is doomed to failure because in spite of certain small differences in this political bloc there is an evident fascist trend and it is trying in the long run to eliminate the people's movement with the excuse of fighting "communism."

That is the way we should understand the provocations from inside and outside the government with regard to a massive, premature, uncoordinated reply and the conduct of a massacre that would put an end, once and for all, to the "internal enemy," in other words, to the people's organizations which have built a new power in the face of the fascists.

The failure of this clearly prorightist experiment is already evident. The present government has been unable to achieve a social or political base for remaining in power. It has also been a failure for U.S. policy since the latter has imposed and maintained this experiment, originally conceived and enforced by the Christian Democratic and military sectors, that has recently been strengthened by other rightist sectors, who, however, are small social groups which will never achieve "tranquillity" and "order" so many times promised by the armed forces high command.

We think that the wisest policy for the United States would be to not intervene at all in our domestic policy and to recognize the true political and social forces that can solve the entire crisis of our society in such a manner that will make the Salvadoran people the true historical beneficiaries of the process and not the economic minorities protected by the traditional military organizations.

The respect for the self-determination of the Salvadorans, under a truly just economic model and a political program that will convey the people's aspirations, is the basic condition for new relations between El Salvador and the United States. Interference in Salvadoran affairs during these crucial moments could spread the conflict throughout the region, with a tragic toll from a bloodbath which we are already trying to prevent.

All political and social sectors of the country know the origin of all the problems which the Salvadorans are facing: the existance of an oligarchic power which has controlled us for 100 years economically, socially, politically, culturally, ideologically and militarily. In other words, this power has saturated the lives of the Salvadoran people.

The state, the government, the various private organizations, the newspapers, the communication media have been saturated by the interests of the oligarchy and, if at any given time one of those institutions or social sectors has tried to rid itself of that control, they have very quickly been reoriented or destroyed for having attacked this brutal control.

In the final analysis, oligarchic leadership has four basic pillars of support: the exploitation of the workers, the armed forces that has this political position, the propaganda which it has continually disseminated among the people to the effect that the military-oligarchic power represents the entire Salvadoran nation, and the implicit or explicit connection with foreign powers, particularly the United States for the last 50 years. Has ideological distortion reached such a point that it arrogantly says that "the army will live as long as the republic lives" without realizing this is true as long as the oligarchic republic agrees to receive the support of an oligarchic army?

When the common citizen speaks of the sovereign and independent republic, democratic in essence and its institutions, he is not speaking of the same republic that the oligarchy praises. This dichotomy must be pointed out so that the military will think about their own slogans.

In reviewing all these considerations, we should understand that the national interests are closely connected with the interests of the majority of the people. To this effect, the question about the new government should not be who loses, but who wins. The answer is obvious: All of us who want to build a new fatherland with social justice and freedom will be the winners.

Naturally, the revolutionary process will make basic changes in the organization of the state in other words, politically, economically, culturally and so forth, which will entail the establishment of a new political and legal organization in which all social sectors must and should participate, abiding by new and explicit rules that will impede the formation of small and powerful social groups such as has been the case up to now in order to facilitate the massive and democratic participation of the population.

As members of the FDR, we make an appeal to achieve for our fatherland a revolutionary and democratic government, with the leadership of the people.

GUATEMALA

ARMY DENIES CLASH WITH BRITISH ON BELIZE BORDER

PA301920 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 30 Jul 80

[Text] An international rumor about an armed clash along the Belizean border has been denied. Last night army sources denied that an armed clash between Guatemalan and British troops has occurred along the Belizean border.

International news agencies have asked their Guatemalan correspondents to report to the alleged armed clash which was (?reported) by the Belize papers.

Everything is normal along the border. The Army Public Relations Office has reported that everything is normal along the Belize border. The Guatemalan Army and British troops stationed in Belize are remaining alert, but have not clashed at all at any time, as had been said.

DEATH TOLL IN SAN JUAN COTZAL CLASH INCREASES

PA302355 Guatemala City Radio Mundial in Spanish 1450 GMT 30 Jul 80

[Distributed by Inter-Central American Radio Organization]

[Text] Maj Edgar Dominguez, deputy chief of the Army Public Relations Office, yesterday reported that the death toll in Monday's armed clash in El Quiche Department increased to 37. He said that three of those killed were army members and the others were members of the subversive group that attacked a military detachment in San Juan Cotzal.

Initial reports issued by the military commander in Huehuetenango indicated that 31 persons had been killed. A further search of the area permitted the discovery of six more bodies in a nearby hill. The dead were wearing fatigues and were carrying the same kind of weapons used by the attackers, Major Dominguez added.

He said that the investigations continue in order to determine the whereabouts of the rest of the attackers.

HONDURAS

MILITARY LEADERS APPLAUD PAZ GARCIA APPOINTMENT

PA300340 Tegucigalpa Radio America in Spanish 2250 GMT 28 Jul 80

[Distributed by Inter-Central American Radio Organization]

[Text] Col Diego Landa Celano, defense and public security minister, said that the fact that the members of the Constitutent Assembly have appointed Gen Policarpo Paz Garcia provisional president of the republic is proof of the admiration and respect that political leaders have for General Paz Garcia and the armed forces--respect which made the electoral process possible. According to Colonel Landa Celano, it is an honor to have General Paz Garcia as president of the republic.

On learning of General Paz Garcia's appointment, Col Gustavo Alvarez Martinez said that he was proud to have General Paz Garcia as president of Honduras, indicating that it was the politicians' way of telling us that they appreciate the fact that we kept our word to have free elections. However, he added, I hope the people know the difference between liberty and libertinism. He also said that the next elections in the country will also be held in a climate of order, discipline and freedom. Finally, he hoped that those who will form part of the government and will assist General Paz Garcia in running the country are honest men whose only thought is to serve the country well.

Col Amilcar Zelaya, former member of the military government junta, who was interviewed in Santa Rosa de Copan, where he is attending the celebration of the 19th anniversary of the army's 12th Infantry Batallion, said that he was pleased to see General Paz Garcia assume the duties of president of the republic. The military is proud of what is happening because it made the free election possible. Colonel Zelaya has full confidence that General Paz Garcia will be a good chief executive. He said that the Honduran people can be sure of this and he urged those who will assist General Paz Garcia, as well as the people in general, to cooperate in every way to assure the success of General Paz Garcia's government. Finally, he said that as of this moment I am no longer a member of the triumvirate and will assume my duties as commander of the public security forces.

Col Humberto Regalado Hernandez, commander of the army's 7th Batallion headquartered in Comayagua, explained how the army contributed to the electoral process--an action that political parties have appreciated. Proof of this is the vote of confidence that the Constituent Assembly has given the armed forces by appointing General Paz Garcia as president of the republic.

'No Conditions' On Acceptance

PA300342 Tegucigalpa Radio America in Spanish 2250 GMT 28 Jul 80

[Distributed by Inter-Central American Radio Organization]

[Text] Deputy Juan Pablo Urrutia, secretary of the Constituent Assembly, disclosed that Gen Policarpo Paz Garcia did not place any conditions on accepting his appointment as provisional president of the republic. A delegation from the Constituent Assembly delivered decree No 2 to Gen Paz Garcia in which the Constituent Assembly appointed him as provisional president of Honduras. Deputy Urrutia said that the Constituent Assembly will decide if a special ceremony will be held to receive General Paz Garcia as the new provisional president of the republic.

CONSTITUENT ASSEMBLY APPOINTS SUPREME COURT JUSTICES

PA261622 Tegucigalpa Domestic Service in Spanish 0400 GMT 26 Jul 80

[Text] In today's session, the national Constituent Assembly issued decree No 3 appointing the members of the honorable Supreme Court of Justice. They are: Jose Pinela Gomez, Raul (Elvir Tolimbres), Carlos Manuel Arita Palomo, Renan Perez Ramirez, Julio Cesar Diaz Murillo, Gustavo Acosta Mejia, Rolando Edgardo Soto Soto, Raimundo Orellana Pineda and Orlando Losana Martinez.

Alternate members are: Alfonso Lopez Munoz, Jose Luis [name indistinct] Guzman, Edmundo Pinto Mejia, Rafael Jerez Alvarado, Adan Pineda (Dilaureta), [name indistinct] Matute Gutierrez and Leonardo Matute Murillo.

TIEMPO ANALYZES BOWDLER REPORT ON CENTRAL AMERICA

PA290307 San Pedro Sula TIEMPO in Spanish 17 Jul 80 p 7

[By Dionisio Ramos]

[Text] Honduras is the keystone, William Bowdler says, referring to Central America, in a report to the U.S. Congress explaining U.S. foreign policy, especially policy toward Central America.

In the report Honduras is considered as playing a "doubly critical role because it is the poorest of the five and because of its strategic location between Nicaragua and the two most insecure countries in Central America."

We are in fact the poorest country and we are located between El Salvador, Guatemala and the Republic of Nicaragua. Why is Honduras so strategic if we are so poor? We cannot understand this. If we were the most developed country and held the same geographic position, we could say, as Mr Bowdler said, that our country is the keystone; but being what we are, the poorest, we see no justification for such a statement. We are considered strategic. We do not know why, although we understand the meaning of the word. On the contrary, being so poor, we must be in favor of peace from every point of view. It is true that we are between El Salvador and Guatemala, as the report said, and it is also true that these are the most disturbed nations in the region, but the reason for this is domestic, not external. From a point of view of strategy, in war matters or from a point of view of strength, we do not have any influence beyond our own borders.

The report says we have no internal threat because of the political situation. We believe we cannot agree with this if we consider that we are so poor. Isn't poverty reason enough to create causes for permanent tension at home? What is the meaning of poverty? Bowdler says Honduras has "carefully observed human rights." We wonder: Is it true that our leaders have been so careful in their respect for human rights? How can this make sense if we are so poor at the same time? Here, dear readers, is a small but difficult problem.

It also says we have "large amounts of fertile land and no marked division of classes."

A division of classes does exist and at times it has been harsh and cruel. We must also say that, even if it is true that we do have fertile land, we lack an agrarian plan leading to a positive change in the present unfortunate system of land ownership, leading to a productive system of the things we need and to an eradication of our people's latent hunger.

Politically, as Bowdler's report says, the opposition--let us quote him--"has unexpectedly won a Constituent Assembly election to restore a full democratic system within a year." Bowdler says the opposition won the elections, and in this manner includes the government among those who lost. As for a full democratic system, we shall see how the new constitution is drafted and what use is made of the people's powers.

The report refers to a private meeting between President Carter and General Paz, chief of the junta. However, we were left to imagine what conclusions it reached. We are not going to comment on this meeting because we did so at the time.

He concludes with the following: "We are impressed by the social awareness of the Honduran Government and by its dedication to reestablishment of constitutional government."

We do not believe this way of seeing things in Honduras needs comment because it is the least we could expect from any government in Honduras. An administration must be aware of our daily problems; it must not close its eyes to the sorrow created by the existing misery, and it must understand that if we are the poorest country, as has been said so often at home and abroad, we should all fight to put an end to this poverty.

NICARAGUA

FOREIGN MINISTER DEFINES STAND TOWARD BOLIVIA

PA302318 Managua Radio Sandino in Spanish 0300 GMT 30 Jul 80

[Excerpt] With the OAS or without it, Nicaragua will maintain a firm position against the Bolivian gorilla coupists, but not against the Bolivian people, Nicaraguan Acting Foreign Minister Jacinto Suarez said.

Companero Jacinto Suarez was referring to the headlines published by LA PRENSA regarding the pressures exerted by Nicaragua against the Bolivian gorilla coupists. He says that today's LA PRENSA gives it a different meaning. Companero Suarez said that Nicaragua has not considered halting its campaign of rejection and accusations against the Bolivian military coup and that it has become a fixed policy of the country.

Acting Foreign Minister Companero Jacinto Suarez said in regard to the publication of LA PRENSA's misleading headline and in regards to Nicaragua's attitude in the OAS:

[Begin recording] [Question] Companero, today LA PRENSA published a headline saying: Nicaragua Suspends Plan Against Bolivia. Could you explain this statement?

[Answer] In the first place, let us make clear that we have had no plan against Bolivia. What we have done is to wage an international campaign to isolate the Bolivian gorillas who are massacring their people and drowning in blood the democratic aspirations of the Bolivian people, who have denied the access to power of a government supported by elections. We think that the Bolivian people have legitimate aspirations to follow democratic paths after the many coups and that in Latin America the time has come to seek democratic formulas according to their individual situations and people no longer have to support military coups and massacres. [end recording]

FSLN OFFICIAL COMMENTS ON TOPIC OF ELECTIONS

PA301948 Managua Radio Sandino in Spanish 1200 GMT 30 Jul 80

[Excerpts] Julio Lopez, political and propaganda secretary of the Sandinist National Liberation Front, FSLN, granted an interview to Radio Sandino in which he refutes the arguments of the Higher Council of Private Enterprise and other so-called political parties, which are demanding elections in the near future.

The arguments of some minority elements and sectors of our country in no way correspond to the political reality of the Nicaraguan people, Julio Lopez noted, adding that such arguments constitute an effort to discredit the people's victory and struggle and to sow confusion through what we call ideological diversionism.

[Begin Lopez recording] Summarizing, I would say that we are facing a number of pronouncements designed to sow confusion among the people which curiously coincides--as shown by the facts; this isn't just my own opinion--with the exasperation of the activities of the counterrevolution.

In recent days, we have witnessed the first armed activities of the counterrevolution and the appearance of some sort of political front by the reactionary sector which puts forward a number of arguments.

I believe it must be clearly established that Nicaragua will never again be as it was before. Nicaragua will never again hold the type of elections held in the past. Nicaragua is no longer a bourgeois democratic republic. Nicaragua is now the free Nicaragua that Sandino wanted; the democratic, popular and anti-imperialist Nicaragua, based on the power of the workers and peasants. We are convinced that the patriotic sectors of the business groups already working with the revolution will continue to join with other patriotic elements to work on behalf of our people's basic interests.

We should realize that Nicaragua will never again be a bourgeois republic; we must get used to seeing Nicaragua as the fatherland where a revolution has been born and grows and develops to lead us to deep changes in the form and context of political power.

I believe those old politicians should forget that if their dreams never became a reality under the dictatorship despite their tireless efforts. Today they have definitely been thrown into the trash can of history. There will be elections in the proper form and context when they are requested by the workers, the peasants, the women, the youths and those patriotic sectors; not when they are demanded by some minority elements accustomed to the practices of the past. [end recording]

U.S. EMBASSY ASSOCIATION SUED FOR BREACH OF CONTRACT

PA292232 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 29 Jul 80

[Text] The American Embassy Association at the American Embassy in Managua is being sued for breach of contract and nonpayment of social benefits by 10 Nicaraguan employees who were unexpectedly fired. The workers, some of whom had been employees of the association for 7 years, said that their contract does not expire until September. However, they alleged, they were told last week that they no longer had jobs. They worked as gardeners and watchmen.

The lawsuit has been filed against (Eva Fusch) and Joaquin Morales who, in the opinion of the workers, took the arbitrary step because they want a private company to do the work previously done by them.

CUBA REPORTEDLY IMPORTS SUGAR FOR FIRST TIME IN HISTORY

WA301400 Bogota EL TIEMPO in Spanish 17 Jul 80 pp 1-A, 7-A

[Text] London, 16 Jul (AFP)--For the first time in its history, Cuba has become an importer of sugar instead of an exporter, London businessmen revealed today.

Cuba, one of the largest sugar-producing countries of the world, has just bought at least four shipments of sugar, totaling 40 to 80,000 tons, from the Dominican Republic.

Media specializing in the product in London are of the view that the fact that Cuba is importing sugar is a clear indication that the sugar harvest will be worse than foreseen.

A sugarcane disease, rust, has destroyed one-fourth of the crop and current production has been officially estimated in Havana at only 6.7 million tons.

Last year 8 million tons were produced, a result considered relatively poor.

Specialized media in London believe it quite improbable that the official Cuban forecast of 6.7 million tons can be achieved.

The imported sugar is needed by Cuba now to meet the long-term sale contracts between the government of Fidel Castro and the Soviet Union and other European socialist countries, which are Cuba's principal customers, the London businessment say, adding that the Cubans negotiated reductions of up to 30 percent of its sugar deliveries with its clients; however, the reductions appear to be insufficient.

Moreover, according to reports available to British sugar media, the needs of the Eastern countries seem to be higher than foreseen.

The increased demand from countries in the East is apparently due to the shortfalls in the crops of the USSR, Poland and Czechoslovakia, owing to excessive rainfall.

CASTRO RECEIVES ANNIVERSARY GREETINGS FROM USSR

For the text of the greetings message from L.I. Brezhnev and A.N. Kosygin to Fidel Castro on the occasion of the anniversary of the 26 July 1953 uprising published in Moscow PRAVDA in Russian on 26 July see the Latin America & Caribbean section of the 30 July Soviet Union DAILY REPORT.

CORRECTIONS TO KAMPUCHEA-CUBA JOINT COMMUNIQUE

The following corrections to the item entitled "Communique Released Following PRK's Hun Sen's Visit" published in the 29 July Latin America DAILY REPORT on page Q 3 are supplied from Phnom Penh Domestic Service in Cambodian on 30 July: On page Q 3, in the second line of the first paragraph substitute "Acting Foreign Minister Ricardo Alarcon y Quesada" for "Foreign Minister Malmierca."

In the first line of the third paragraph substitute "invitation of Isidoro Malmierca Peoli, foreign minister of the Republic of Cuba, PRK Foreign Minister Hun Sen made an official visit" for "invitation of the Foreign Relations Ministry of the Republic of Cuba, the PRK's foreign minister."

DOMINICA

NEW PRIME MINISTER SETS HER PRIORITIES

FL301450 Nassau THE TRIBUNE in English 25 Jul 80 p 1

[Text] Roseau, Dominica, 23 July (CANA)--Dominica's new prime minister, Eugenia Charles, in her first address to the nation, today warned Dominicans not to expect miracles from her government and said there is the great task ahead of rebuilding the hurricane-ravaged island.

Miss Charles said that her Freedom Party government was aiming at developing the country in three stages with the first stage being an immediate housing programme.

"Obviously our immediate task of reconstruction will be centred on housing and particularly with a view to giving those persons who are still living in tents a proper roof over their heads with the coming weeks."

Dominica suffered badly at the hands of Hurricane David in August last year with millions of dollars in damage.

Miss Charles said that the next part of the programme would be a re-organisation of the whole machinery of government.

"Dominica is at present like a long running machine in great need of an overhaul and servicing. There are parts of the machine which will need replacing, parts which will require new inputs of energy, others which will need streamlining."

"This re-organisation will continue in the months ahead, so that the economic social and governmental machine of this country will be running as smoothly as possible for the benefit of all."

The third part of the development strategy will be to lay the groundwork for the improvement of the economy, which she said "has been in a battered state for a number of years."

"This task will include that of organising the economic advancement of the individual Dominican worker by devising the creation of employment through local enterprise and foreign investment."

"Our future progress depends on increased revenue earnings through agricultural export and industrialisation which is needed to finance the development of the social services and infrastructure of Dominica," Miss Charles said.

She said Dominica's foreign relations will be dominated by trade considerations and the securing of increased markets for its produce. "This shall be coupled with the attraction of foreign investment for it has always been one of our party's beliefs that foreign investment linked to local production provides the key to our future prosperity," Miss Charles added.

She said the new government is hoping that aid donor countries will continue to assist the island in its reconstruction programme.

"It is significant that the news of the change of government in Dominica has been received with relief and pleasure by the representatives of so many countries with which we have close ties," Miss Charles said.

"This augurs well for the future as we will require every bit of assistance we can get so as to make up for what we have lost due to mismanagement and misrepresentation."

In her 30 minute address Miss Charles whose Freedom Party won 17 of the 21 seats in parliament in Monday's election again appealed for national unity.

"I am committed to democracy and in democracy there must be all points of view, all shades of political opinion," she said.

"As a free people we must be prepared to agree to disagreee and live with one another and work for one another regardless of what political party we support," she added.

New Cabinet

FL292010 Kingston DAILY GLEANER in English 24 Jul 80 p 1

[Text] Roseau, Dominica, July 23 (CANA)--Mary Eugenia Charles took office today as Dominica prime minister following her Freedom Party resounding triumph in Monday's general elections.

Miss Charles, 61, who becomes the Caribbean first woman head of government, was sworn in with other members of her government before hundreds of supporters.

The Freedom Party took 17 of the 21 seats at the first post-independence poll with the other four seats shared equally by the Democratic Labour Party and two independent candidates.

Miss Charles will in addition to being prime minister take the important portfolios of finance and foreign affairs, and will have veteran politician, Anthony Moise, 74, as her deputy.

Four of the five other ministers and seven ministers of state were sworn in today.

Ronan David is attorney general and minister of legal affairs; Brian Alleyne, minister of home affairs, housing, labour and womens affairs; Henry Dyer minister of communications and works; and Heskeith Alexander, minister of agriculture, trade, fisheries and co-operatives.

The other minister, Charles Maynard, who is responsible for health, education, and youth affairs, did not contest the election and will have to await a sitting of the house before he is appointed a senator.

Two of the ministers have previous experience in government Maynard and Alleyne, who served for a short time in the broadbased administration of ousted Prime Minister Oliver Seraphin. But differences with Seraphin led to their dismissal this year.

The ministers of state appointed are:

Anthony Moise--Prime Ministers Office.

Denison John and Oliver Sanderson--Ministry of Agriculture, Trade, and Fisheries.

Alleyne Carbon--Ministry of Communications and Works.

Judiana Henderson--Ministry of Home Affairs, Housing and Labour.

Henry George and Kaleb Laurent--Ministry of Education, Health and Youth Affairs.

GUYANA

PLOT TO DISRUPT ECONOMY UNCOVERED

FL231425 Georgetown Guyana CHRONICLE in English 17 Jul 80 p 1

[Text] An official of the People's National Congress yesterday exposed a plan being worked out by the People's Progressive Party, the Working People's Alliance, the Guyana and General Workers' Union, (GAWU), and other opposition political parties and trade unions to call a number of strikes in the sugar industry and the rest of the country.

The People's National Congress official said that the strike plan is part of an opposition scheme worked out on April 6 last to disrupt the national economy through strikes, sabotage and similar means. It was at that meeting, the official said that the opposition analysed that this was the only way to gain any political mileage in the face of clear evidence of improvements in the economic situation including the imminent completion of several important projects. Among those involved in the latest scheme are certain leaders of two clerical trade unions.

The official called on workers throughout the country to be alert to attempts to use them as a bait to feed the political ambitions of these political charlatans.

GUYANA-VENEZUELA FRIENDSHIP SOCIETY TO PROMOTE RELATIONS

FL301455 Georgetown Guyana CHRONICLE in English 21 Jul 80 p 1

[Excerpts] President of the recently revived Guyana-Venezuela Friendship Society attorney-at-law Jai Narine Singh yesterday stated that there was " a lot of good will existing in Guyana towards the people of Venezuela and vice versa."

Mr Singh said that this was "a propitious time to think of our Western neighbours in Venezuela and try to cement closer relations between the two countries."

The aims and objects of this society are: to promote and foster social and cultural ties on the basis of mutual friendship between the peoples of Guyana and Venezuela, to stimulate interest in Guyana of life in Venezuela and to encourage and promote in Venezuela a deeper understanding of Guyana.

President Singh said that it is proposed that cultural exchanges of various kinds, including sport and the arts, would be arranged between the two countries.

SURINAME

MILITARY COUNCIL CHAIRMAN REPORTEDLY REMOVED

FL310015 St George's Radio Free Grenada in English 2330 GMT 30 Jul 80

[Text] The chairman of Suriname's National Military Council has lost his position in a shakeup of that country's government. Reports from Suriname's Prime Ministry say that two other sergeants have also been removed. The resignations of the three were demanded by the army chief of staff after what was said to be a clash between himself and the chairman. A new chairman is soon to be named but the army chief has already announced the names of the new members of the council to fill the (?places) of the other two sergeants. The Prime Ministry's statement said that both President Johan Ferrier and Prime Minister Dr Henk Chin-a-sen have been informed of the changes.